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BROCHURE

FORM ADV, PART 2A

March 31, 2012

This Brochure provides information about the qualifications and business practices of Infinex Investments, Inc.. If you have any questions about the contents of this Brochure, please contact us by email at compliance@infinexgroup.com, or by telephone at (203) 599-6000, or by mail at the address above. 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.

Infinex Investments, Inc., is an investment adviser registered with the United States Securities and Exchange Commission. Registration with the SEC does not imply that Infinex Investments, Inc., or any person associated with Infinex Investments, Inc. has achieved a certain level of skill or training.

Additional information about Infinex Investments, Inc., is available on the SEC's website at www.adviserinfo.sec.gov, by searching our firm name or our IARD/CRD number: 117878

ITEM 2: MATERIAL CHANGES

This section is used to summarize any new or updated material changes from our previous filings.

Since our last filing on March 31, 2011, Envestnet agreed to acquire the US activities of FundQuest. Additional information can be found on Envestnet's website: www.envestnet.com. There were no other material changes to our Brochure.

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Item 4: **ADVISORY BUSINESS**

A. FIRM BACKGROUND & PRINCIPAL OWNERS

Infinex Investments, Inc. (referred to as “Infinex,” “Firm,” “we,” or “us”), is a Connecticut corporation headquartered in Meriden, Connecticut. We have been in business since 1993. We are registered with the SEC as an investment adviser and are also registered with the SEC and 47 states as a broker-dealer. We are a member of the Financial Industry Regulatory Authority (“FINRA”). We have more than 50 shareholders, none of whom owns 25% or more of our shares.

Infinex offers a variety of investment advisory services, including:

- the “*Envestnet Program*” and the “*Lockwood Program*,” which are discretionary investment management programs;
- the “*Infinex Client Advisory Account Program*,” a non-discretionary investment advisory program;
- Financial Planning Services and Consulting Services; and
- Adviser Referral Services.

Each of these services is described below.

B. INVESTMENT ADVISORY SERVICES

1. Envestnet Program Overview

Through an agreement with Envestnet, Infinex offers the “*Envestnet Program*.” Envestnet is an investment adviser registered with the Securities and Exchange Commission and provides portfolio management, accounting, and reporting services for the seven discretionary investment management subprograms which comprise collectively the Envestnet Program: the *Portfolio Planner Direct Program*, the *Portfolio Planner Select Program*, the *Portfolio Planner ETF Program*, the *Portfolio Planner Index Plus Program*, the *Portfolio Planner Direct SMA Program*, the *Portfolio Planner Select SMA Program*, and the *Portfolio Planner UMA Program*.

The Envestnet Program and its subprograms are offered as “wrap fee” programs for clients seeking professional portfolio management of their portfolios. Please refer to Item 4.D for further information about the unique characteristics and special considerations pertaining to wrap fee programs.

Through the Envestnet Program, our investment adviser representatives (“IARs”) will work with individual clients to develop a personal investment profile that identifies the client’s goals, risk tolerance, time horizon, financial situation, and other factors that influence selection of a suitable investment approach. Using specialized software designed and provided by Envestnet, the IAR produces an Investment Strategy Report that proposes an asset allocation strategy based on the client’s investment profile. After reviewing and approving the Investment Strategy Report, the client, with the IAR’s assistance, selects the appropriate Envestnet subprogram, signs an agreement to open a brokerage account with the broker-dealer that will maintain the account’s assets, and signs an investment advisory agreement (“*Advisory Agreement*”) authorizing management of the account in accordance with the terms and conditions of the program.

Pershing, LLC (“*Pershing*”) serves as custodian and clearing broker-dealer for Envestnet Program accounts. Pershing executes and clears purchase and sale orders placed by the account’s portfolio manager, provides transaction confirmations, account statements, annual reports, prospectuses, and tax information, and maintains custody of client cash and securities.

Envestnet provides clients with quarterly reports that detail account holdings, transactions, and performance, and market commentary. IARs will typically contact their Envestnet clients on a quarterly basis, but at least annually, to review the account and inquire about changes in the client’s financial information or investment objectives. Clients remain responsible for notifying Infinex and their IAR of any material changes in their investment profiles.

Portfolio Planner Direct & Portfolio Planner Select Programs

In the Portfolio Planner Direct Program, Envestnet acts on a discretionary basis as the client’s account portfolio manager, while Infinex and its IARs are responsible for profiling the client, recommending an asset allocation strategy, and managing the ongoing client relationship. Infinex and the IARs will not have investment discretion for the client’s account. In the Portfolio Planner Select Program, Infinex and the client’s IAR act on a discretionary basis as the account’s portfolio manager and are also responsible for profiling the client, recommending an asset allocation strategy, providing the asset allocation models, and managing the ongoing client relationship. Envestnet provides the systems and reporting services for Infinex’s use in the Portfolio Planner Select Program.

The Portfolio Planner Direct Program and the Portfolio Planner Select Program generally include an array of mutual fund portfolios and other securities that are assembled based upon risk-based modeling and asset allocation. Envestnet develops and recommends for approval by Infinex an investment policy for the asset allocation models utilized in the Portfolio Planner Direct Program. In the Portfolio Planner Select Program, Infinex, through the client’s IAR, develops an investment policy for the asset allocation model utilized. The investment policy describes how the asset allocation models are managed and sets forth the criteria for the selection of mutual funds and other securities, active portfolio management and account rebalancing. To establish mutual fund policies for the Envestnet Program, Envestnet employs a proprietary mutual fund analysis, scoring and screening process and applies it to the various fund families used in the Envestnet Program. Envestnet then selects specific mutual funds for the Envestnet Program using criteria established by Envestnet and Infinex.

Envestnet is the portfolio manager for Portfolio Planner Direct accounts, while Infinex is the portfolio manager of Portfolio Planner Select accounts. The portfolio manager’s discretion includes the selection of mutual funds and other securities, the modification of models and asset allocations; the replacement, reduction or elimination of mutual funds and other securities in the accounts; account rebalancing; and liquidation of positions, if necessary, to generate cash for withdrawals by the client as the payment of account fees. A minimum investment of \$50,000 is required to open a Portfolio Planner Direct or Portfolio Planner Select account.

Portfolio Planner ETF & Portfolio Planner Index Plus Programs

The Portfolio Planner ETF Program invests in model portfolios comprised primarily of exchange-traded funds (“*ETFs*”). The Portfolio Planner Index Plus Program invests in model portfolios comprised primarily of ETFs and actively managed mutual funds. Portfolios in the Portfolio Planner Index Plus Program typically have lower expense ratios than portfolios of all actively

managed mutual funds and provide a balance of active and passive management strategies for the client.

The Portfolio Planner ETF and Portfolio Planner Index Plus Programs generally include an array of mutual fund portfolios (including ETFs) that are assembled based upon risk-based modeling and asset allocation. Envestnet develops and recommends for approval by Infinex an investment policy for the asset allocation models utilized in the Portfolio Planner ETF and Portfolio Planner Index Plus Programs. The investment policy describes how the asset allocation models are managed and sets forth the criteria for the selection of mutual funds, active portfolio management, and account rebalancing. To establish mutual fund policies for the Portfolio Planner ETF and Portfolio Planner Index Plus Programs, Envestnet employs a proprietary mutual fund analysis, scoring and screening process and applies it to the various fund families used in the Portfolio Planner ETF and Portfolio Planner Index Plus Programs. Envestnet then selects specific mutual funds and ETFs for the programs using criteria established by Envestnet.

Envestnet acts on a discretionary basis as the portfolio manager for both the Portfolio Planner ETF and the Portfolio Planner Index Plus Programs. Infinex and its IARs are responsible for profiling the client, recommending an asset allocation strategy, and managing the ongoing client relationship. In this capacity, Infinex and the IARs act on a non-discretionary basis only. As portfolio manager, Envestnet's discretion includes the modification of models and asset allocations; the replacement, reduction or elimination of mutual funds and ETFs in the accounts; account rebalancing; and liquidation of mutual fund positions, if necessary, to generate cash for payment of program wrap fees. A minimum investment of \$25,000 is required to open a Portfolio Planner ETF or Portfolio Planner Index Plus account.

Portfolio Planner Direct SMA, Portfolio Planner Select SMA & Portfolio Planner UMA Programs

Infinex also offers the Portfolio Planner Direct SMA Program, the Portfolio Planner Select SMA Program, and the Portfolio Planner UMA Program. Clients interested in these programs should obtain a copy of Infinex's Form ADV, Part 2A, Appendix 1, Wrap Fee Program Brochure, and related documents for a more detailed description of these programs and the related costs and expenses.

2. Lockwood Program Overview

Through an agreement with Lockwood Advisors, Inc. ("Lockwood"), Infinex makes available to its clients the "Lockwood Program." Lockwood is an investment adviser registered with the Securities and Exchange Commission and provides portfolio management, accounting, and reporting services for the four discretionary investment management subprograms which collectively comprise the Lockwood Program: the Lockwood Asset Allocation Portfolios Program (the "*Asset Allocation Program*"), the Lockwood AdvisorFlex Portfolios Program (the "*AdvisorFlex Program*"), the Lockwood Investment Strategies Program, and the Lockwood Separately Managed Account Program (the "*SMA Program*").

The Lockwood Program and its subprograms are offered as "wrap fee" investment management programs for clients seeking professional investment management of their portfolios. Please refer to Item 4.D for further information about the unique characteristics and special considerations pertaining to wrap fee programs.

Pursuant to the Lockwood Program and depending upon the specific subprogram selected, the Infinex IAR will utilize a proprietary investment questionnaire provided by Lockwood to collect information from clients regarding their financial background, investment objectives, and goals.

This information is then used to formulate an asset allocation recommendation and to identify specific portfolio managers or investment vehicles appropriate for the account. A report is then prepared by Infinex and Lockwood and provided to the client. The client must authorize the selection of managers and investment vehicles, and must grant discretionary trading authority to the portfolio manager(s) or Lockwood over all or specified portions of the account. A portion of the account may be invested in mutual funds or other investment vehicles, instead of being managed through separate accounts.

Depending upon the program selected, clients generally grant Infinex or Lockwood discretionary authority to hire and fire the separate portfolio managers for their accounts. Portfolio managers are sent information on the client's financial circumstances, investment goals and objectives and any special instructions the client may wish to give the portfolio manager regarding the account. Lockwood retains the authority to terminate or change portfolio managers when circumstances are such that Lockwood believes a change is in the best interest of the client.

The portfolio managers and investment vehicles available through the Lockwood Program are selected through Lockwood's due diligence process. Lockwood conducts research using publicly available data as well as other information provided by the investment firms it is investigating. Lockwood may conduct on-site visits at the portfolio managers' headquarters as part of its due diligence process. Lockwood reviews portfolio managers for investment process, personnel experience, information systems used, operational organization, ownership structure and other factors. Lockwood continues to monitor contracted portfolio managers on an ongoing basis, providing periodic research reports to Infinex for distribution to Infinex's clients. Infinex does not independently review portfolio manager performance information.

Clearing and custody services for Lockwood Program accounts are provided by Pershing. Pershing executes and clears purchase and sale orders directed to it by the portfolio manager, provides transaction confirmations, account statements, annual reports, prospectuses and tax reporting information directly to clients, and provides custody services for cash and securities in customer accounts. Lockwood and Pershing are both affiliates of The Bank of New York Mellon Corporation ("BNY"), one of the largest global financial services organizations with more than \$24 trillion of assets in custody and under management. Infinex is not affiliated with Lockwood, Pershing, or BNY.

Lockwood provides clients with quarterly reports that detail program account holdings, transactions, and performance, and market commentary. IARs will typically contact their clients in the Lockwood Program on a quarterly basis, but at least annually, to review the account and inquire about changes in the client's financial information or investment objectives. Clients remain responsible for notifying Infinex and their IAR of any material change in their investment profiles.

Lockwood Asset Allocation Program

Pursuant to the Asset Allocation Program, the Infinex IAR will utilize a proprietary investment questionnaire provided by Lockwood to collect information from clients regarding their financial background, investment objectives, and goals. Based upon this information, a proposed investment strategy and asset allocation recommendation is generated. The Asset Allocation Program is managed by Lockwood. Lockwood serves as the discretionary portfolio manager of the Asset Allocation Program and determines the asset allocation strategy and selects investment vehicles for each investment style component of the Asset Allocation Program based upon proprietary models. The Asset Allocation Program consists of five core models, which may

consist of mutual funds, exchange traded funds and other types of securities, as determined by Lockwood. The investment account is managed by Lockwood on a discretionary basis and in accordance with the client's individual goals and objectives.

The minimum account size for the Asset Allocation Program is \$50,000. Lockwood reserves the right to waive the minimum initial investment requirement in its sole discretion.

Lockwood AdvisorFlex Program

The AdvisorFlex Program is comprised of three, objective-based strategies (Appreciation, Income and Preservation), with multiple models within each strategy. There are sixteen models in the AdvisorFlex Program. The models are intended to align with the different phases of the investor life cycle, from wealth accumulation, to transition into retirement and finally to the management and distribution of income. Each of the models contains specific investment selections. More detailed descriptions of the strategies and models can be found in Lockwood's Form ADV, Part 2A, Appendix 1, Wrap Fee Program Brochure.

Lockwood acts as a sponsor of the AdvisorFlex Program and as the money manager. Pursuant to the AdvisorFlex Program, the Infinex IAR will utilize a proprietary investment questionnaire provided by Lockwood to collect information from clients regarding their financial background, investment objectives, and goals. Based upon this questionnaire, the client and the IAR then select the appropriate strategy and model. The models consist primarily of mutual funds and exchange traded funds, as determined by Lockwood. At any time, the client or IAR may determine to move up or down one model level from the originally selected model, at their sole discretion.

For each investment selection within a model, Lockwood identifies several options from which the client and the IAR may choose. These options include primary investment selections ("Primary Selections") and alternative investment selections ("Alternative Selections"). Certain asset classes may contain only Primary Selections. Alternative Selections will not be made available in these cases, in Lockwood's sole discretion. Lockwood may reclassify a Primary Selection as an Alternative Selection. In such a case, existing AdvisorFlex Program accounts holding the Primary Selection may retain the selection or affirmatively change to the new Primary Selection. In each instance, Lockwood will issue an alert to identify the new Primary Selection. In the event that a Primary Selection is eliminated from a model altogether, all accounts in the model will default to the new Primary Selection. In certain instances when a client selects both Primary Selection and Alternative Selections to complete a model, the mixture of Primary Selections and Alternative Selections may result in changes to weightings within an asset allocation.

Lockwood will implement certain updates and changes to the models throughout the life of the client's AdvisorFlex Program account. Each client grants to Lockwood the limited discretion to implement the selected model and model updates, and the client and the Infinex IAR are responsible for reviewing such updates. A model update may include replacing one investment vehicle for another or changing the allocation within a model. Lockwood may rebalance a client account in such instances as are in the client's best interests. Lockwood reviews each account's drift from the selected model on a regular basis and rebalances a client account as circumstances warrant. The client grants limited discretion to the Infinex IAR to make changes to Primary Selections and Alternative Selections in the client's AdvisorFlex Portfolio account and to make other decisions relating to the account on the client's behalf.

The minimum account size for the AdvisorFlex Program is \$50,000 with minimum, subsequent contributions of \$1,000. Lockwood reserves the right to waive the minimum initial investment requirement in its sole discretion. Accounts may be funded with cash equivalents or shares of investment selections included within a given model.

Lockwood Separately Managed Account Program & Investment Strategies Program

Infinex also offers several additional “wrap” asset management programs under its agreement with Lockwood. These programs are comprised of the SMA Program and the Investment Strategies Program. Clients interested in these programs should obtain a copy of Infinex’s Schedule H and all related documents for a more detailed description of each and the related costs and expenses.

3. Infinex Client Advisory Account Program Overview

Infinex offers a non-discretionary “wrap-fee” program, known as the “*Client Advisory Account Program*.” Clients interested in this program should obtain a copy of Infinex’s Form ADV, Part 2A, Appendix 1, Wrap Fee Program Brochure, and related documents for a more detailed description of the program and its costs and expenses.

The Infinex Client Advisory Account Program is a client-directed investment advisory program offered through an agreement with Envestnet. Envestnet provides portfolio accounting and reporting services for this program. The IAR will meet with a prospective client and complete a Client Profile Questionnaire (the “Profile”). The Profile is designed to identify the client’s goals, risk tolerance, time horizon, financial situation and other factors that influence investment approach. The Profile will also include any special instructions or restrictions the client may wish to include regarding the Infinex Advisory Account. The Profile is utilized by the IAR to develop an Investment Strategy Report that is completed and signed by the client (the “Investment Strategy Report”). The Investment Strategy Report is prepared utilizing specialized software designed and provided by Envestnet. Clients are responsible for promptly informing the IAR of any changes in their financial objectives or circumstances.

Following the development of the Investment Strategy Report and based on its contents, the IAR will recommend certain securities that are consistent with the client’s needs and objectives. The client may elect to purchase the recommended securities or may instead elect to purchase other securities, all in the client’s sole discretion. The client shall approve all transactions in the Infinex Advisory Account. None of the IAR, Infinex or Envestnet shall have discretionary authority over Infinex Advisory Accounts. The IAR may recommend mutual funds, ETFs, and general securities (stocks and bonds).

Following the establishment of program account, the IAR will review the account on a quarterly basis to determine whether the portfolio is consistent with the Investment Strategy Report (or other available account documentation, as the case may be). The IAR may recommend that the client rebalance the portfolio or that the portfolio be modified. The client must approve all transactions in the Infinex Advisory Account. Except as described above, none of the IAR, Infinex or Envestnet shall be responsible for monitoring or managing the Infinex Advisory Account.

Upon acceptance of an Infinex Advisory Account by Infinex, the client will direct Infinex to open a brokerage account with Pershing. Pershing will generally provide all custody, trade execution, clearing, trade confirmations and regular monthly statements of positions and account activity. Infinex, in its capacity as a broker-dealer, will generally act as introducing broker with respect to the client’s brokerage account.

Investnet will prepare quarterly reports showing the account composition, portfolio performance, current asset allocation and current portfolio activity. Neither Infinex nor the IAR review the performance information provided by Investnet to determine its accuracy.

4. Financial Planning & Consulting Services

Financial Planning Services

Infinex may provide investment advisory services in the form of a comprehensive financial plan. Clients receiving this service will receive a written report providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives. In general, the comprehensive financial plan may address a number of areas, including existing financial position, protection of assets, investment planning, income tax planning, retirement planning, and estate planning. These Financial Planning services apply to a client's financial situation only at the time of purchase. A periodic review of the client's situation is strongly recommended to ensure that the plan continues to adequately address the client's needs and objectives.

Consulting Services

Clients can also receive investment advice on a more limited basis. This may include Financial Planning advice on only a specific area such as retirement planning, survivor needs, investment planning, or any other topic. In these situations, only the requested topic is addressed, and the impact on other financial concerns, of advice provided, is not considered. Infinex may also provide advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.

5. Adviser Referral Services

Infinex may also from time to time act as a solicitor for other investment advisers and receive a fee from the other adviser for such services. In these circumstances, we will be acting as a solicitor for the other investment adviser and may not be acting as an investment adviser for the person we refer. We will explain general aspects of the other investment adviser's programs or services, and provide among other items, the other adviser's disclosure brochure and a disclosure document describing the referral arrangement.

6. Changes in the Client's Circumstances

Clients are advised that changes in the client's or an account's financial situation, investment objectives, tolerance for risk, or investment time horizon may cause the program or strategy selected by the client to be no longer suitable. In the event of any such change, the client should contact the IAR or Infinex promptly in order to identify another program or strategy that meets the client's needs.

7. Negotiability of Fees, Account Minimums & Other Terms

For all services, we have the discretion to negotiate our fees, minimum account size, minimum annual fees, and other terms of each client's relationship with us, and to negotiate alternative fees, minimums, or other terms on a client-by-client basis.

When considering and negotiating these matters, we usually consider, among other factors, the dollar amount of assets to be placed under management by the client and related accounts, anticipated future revenues and anticipated future additional assets or accounts from the client or related persons, and other existing or anticipated relationships. We may, in our discretion,

elect to aggregate related client accounts for the purpose of achieving the minimum account size requirements and determining annualized fees. Waivers, discounts or more favorable terms not generally available to other clients may be offered to family members and friends of our employees and affiliates. The specific terms of each client's advisory relationship will be agreed upon in writing by Infinex and the client.

8. Securities for Which We Provide Advice

Infinex and its IARs offer advice regarding a wide variety of investment products, including:

- exchange-listed or over-the-counter debt or equity securities of domestic or foreign issuers
- money market funds, open-end investment companies (mutual funds), closed-end funds, and unit investment trusts
- variable life insurance, variable annuities, and their investment subaccounts
- certificates of deposit; municipal securities
- securities issued by the US Treasury, agencies, or government sponsored enterprises

The securities for which we offer advice are more extensive than the investments we generally recommend to our clients. Please refer to the descriptions in this Item 4 and in Item 8 regarding the types of investments and strategies we recommend.

C. TAILORED ADVISORY SERVICES & CLIENT-IMPOSED RESTRICTIONS

We tailor our advice to the specific needs and objectives of the client. The IAR will help the client to understand and complete an account profile or questionnaire so that it accurately reflects the account's financial situation, investment objectives, tolerance for risk, and investment time horizon, among other considerations, and will also answer client questions about the programs and our services. Using specialized software, the IAR produces a report that proposes an asset allocation strategy based on the client's investment profile to assist the client in selecting a suitable program, portfolio, and where applicable, separate account manager. We permit clients to impose reasonable restrictions on the types of securities we recommend for their account, and permit clients to change the restrictions by written instruction to us.

Accounts are managed to reflect the allocation and achieve the objectives of the program and portfolio which the client has selected, subject to reasonable restrictions imposed by the client. Due to client restrictions and other differences regarding each account, performance of a client's account may be different from the performance of other accounts in the same program or portfolio. On an on-going basis, the account's portfolio manager reviews and adjusts the portfolios to ensure they continue to reflect the intended allocations and objectives, as well as any reasonable restrictions imposed by the client.

D. INFORMATION ABOUT WRAP FEE PROGRAMS

The Envestnet Program, the Lockwood Program, and the Infinex Client Advisory Account Program are offered as "wrap fee" programs. We do not manage accounts that do not participate in a wrap fee program. Infinex receives a portion of the wrap fee shown in the client's Advisory Agreement, and the remainder of the wrap fee is paid to Envestnet or Lockwood, as appropriate, for their services in the programs, to the third-party managers who manage accounts in the programs, and to Pershing for its services related to the execution, clearance, and settlement of transactions and custody of assets for the accounts.

Further information is available in the Form ADV, Part 2A, Appendix 1, Wrap Fee Program Brochure for the Envestnet Program, the Lockwood Program, and the Infinex Client Advisory Account Program, which are available upon request from Infinex at the address or phone number shown on the front cover or from the client's IAR.

Special Considerations Regarding Wrap Fee Programs

Wrap fee programs have important differences from traditional investment management arrangements. In a traditional arrangement, the client pays advisory fees for the investment adviser's services in managing the client's portfolio, and also pays brokerage commissions and other transaction costs for a broker-dealer's services in executing trades placed by the investment adviser.

In a wrap fee program, the client pays a single fee based on a percentage of the account's value that includes the services of the account's investment adviser and broker-dealer. The client is not charged separate commissions or other transaction costs for each trade, subject to specific exceptions stated in each program's agreements. Although wrap fee programs can be beneficial for some clients, they are not appropriate for everyone. Some clients may pay higher overall costs in a wrap program than in a traditional program where they pay separately for investment advisory services and brokerage costs.

The benefits of a wrap fee arrangement depend on a number of factors, particularly the amount of the wrap fee, the number and frequency of account trades, and the types of securities the account will trade. A wrap fee arrangement is likely to be more beneficial for accounts that expect relatively frequent trading, such as where the account intends to pursue an active trading strategy. In that case, the single wrap fee may cost less than the combined investment advisory fees and brokerage commissions that would be charged in a traditional arrangement. Conversely, an account that does not expect to trade frequently and has a relatively small number of trades each year may find a wrap fee arrangement to be more costly than paying the separate costs of brokerage commissions and fees for investment advice.

Clients are cautioned to review the information in the disclosure brochure for wrap programs they are considering to understand the costs and factors they should consider when deciding whether to participate in (or to continue to participate in) the programs. Clients should also consider that lower cost programs that provide similar advisory, brokerage, and custodial services may be available through other advisers and broker-dealers, either through a wrap fee or on a separate cost basis. No assumption can be made that any particular fee arrangement, including wrap fee arrangements or portfolio management services of any nature will provide better returns than other investment strategies.

Fees paid by clients may be more or less than fees charged for advisory, custodial or brokerage services offered separately, depending on the nature, size and frequency of account transactions and other services. Depending upon, among other things, the size of the account, changes in value over time, ability to negotiate fees or commissions, and the number of transactions, the amount of the wrap fee compensation may be more than what the IAR would receive if the client participated in other programs of Infinex, or paid separately for investment advice, brokerage and other services. Therefore, while wrap account compensation cannot be determined in advance, the IAR may have an incentive to recommend the Envestnet Program over other programs or services.

Further, clients should consider that the wrap fee arrangement creates a disincentive to trade wrap fee accounts because the execution costs of each trade will reduce the profit from the wrap fee. A wrap sponsor may have an incentive to limit referrals to or outright exclude from its program portfolio managers that trade actively.

Additionally, in the Envestnet Program, Infinex must pay Pershing's charges for effecting transactions for client accounts. Although we offset this cost by the 12b-1 Fees we receive from the client mutual fund investments (*please refer to Item 5.E for further information about 12b-1 Fees*), this arrangement creates an incentive to minimize the number of transactions and trading costs we incur, which may be inconsistent with an account's overall investment strategy.

We monitor the programs and the accounts in an on-going effort to identify instances where these conflicts of interest may adversely affect our clients. However, our efforts we may not always be successful in preventing or addressing the effects of these conflicts.

E. MANAGED ASSETS

As of December 31, 2011, we managed client assets of \$26,137,000 on a discretionary basis, and \$344,507,000 on a non-discretionary basis.

Item 5: FEES & COMPENSATION

A. PROGRAM FEES

1. Envestnet Program Fees

The standard Program Fees for the Envestnet Program are set forth below and are expressed in terms of an annual percentage of Account Average Daily Balance of Funds Under Management:

FEE SCHEDULE

Portfolio Planner Direct, Portfolio Planner Select,
Portfolio Planner ETF & Portfolio Planner Index Plus Programs

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$250,000	1.75% per annum
Next \$250,000	1.50% per annum
Next \$500,000	1.25% per annum
Amounts over \$1,000,000	1.00% per annum

FEE SCHEDULE

Portfolio Planner Direct SMA & Portfolio Planner Select SMA Programs

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$1,000,000	2.75% per annum
Next \$4,000,000	2.25% per annum
Next \$5,000,000	2.00% per annum
Amounts over \$10,000,000	1.85% per annum

FEE SCHEDULE

Portfolio Planner UMA Program

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$500,000	2.75% per annum
Next \$500,000	2.50% per annum
Next \$4,000,000	2.25% per annum
Next \$5,000,000	2.00% per annum
Amounts over \$10,000,000	1.85% per annum

The Envestnet Program Fees above are the maximum fees charged a program account. Envestnet Program Fees are charged quarterly in arrears, at the annual rates shown above based upon an account's Average Daily Balance of Funds Under Management during a quarterly period. Fees are prorated for accounts that are opened or closed during the quarter. The portfolio manager instructs Pershing to deduct the fee from the client's account.

2. Lockwood Program Fees

The standard Program Fee schedules for the Lockwood Asset Allocation Program and Lockwood AdvisorFlex Program are set forth below. The Program Fees are expressed in terms of an annual percentage of account value.

FEE SCHEDULE

Lockwood Asset Allocation Program & AdvisorFlex Program

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$250,000	1.75% per annum
Next \$250,000	1.50% per annum
Next \$500,000	1.25% per annum
Amounts over \$1,000,000	1.00% per annum

The following tables set forth estimated Program Fees for the Lockwood SMA Program and Investment Strategies Program. These fees are expressed in terms of an annual percentage of account value. The actual fees charged depend, in part, on the fees of the portfolio managers. These fees typically range from .20% to .75% of assets annually. The schedule below assumes an average portfolio manager fee of .35% for fixed income accounts and .50% for equity and other accounts. Specific fees for portfolio managers included in the Lockwood Program can be found as an attachment to Lockwood's Form ADV, Part 2A, Appendix 1, Wrap Fee Program Brochure, a copy of which will be provided to the client.

FEE SCHEDULE

Lockwood SMA Program & Investment Strategies Program

Equity & Investment Strategies Accounts

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$500,000	2.60% per annum
Next \$500,000	2.25% per annum
Next \$1,000,000	2.00% per annum
Amounts over \$2,000,000	1.85% per annum

FEE SCHEDULE

Lockwood SMA Program & Investment Strategies Program

Fixed Income Accounts

<u>Account Value</u>	<u>Annual Fee Rate</u>
First \$500,000	1.85% per annum
Next \$500,000	1.58% per annum
Next \$1,000,000	1.35% per annum
Amounts over \$2,000,000	1.20% per annum

Clients may terminate their Lockwood Program Advisory Agreement without penalty within five (5) business days of the execution of the Advisory Agreement. Otherwise, clients may terminate their Advisory Agreement at any time upon written notice to Infinex and Lockwood. Since fees are charged quarterly in advance, the client will be refunded any prepaid but unearned fees. If a client transfers account assets in-kind upon termination, there is no termination fee. If a client requires liquidation of account assets and delivery of cash upon termination, Lockwood charges a liquidation fee of \$300.

At the inception of a Lockwood Program account, fees are billed from the date the account is opened through the end of that calendar quarter in advance. Thereafter, fees are billed in advance for the next calendar quarter based on the value of the assets at the end of the prior calendar quarter. For post-inception deposits in excess of \$5,000, prorated fees on each deposit will be charged.

3. Infinex Client Advisory Account Program Fees

Clients participating in the Client Advisory Account Program will generally pay one Program Fee for the advisory services of Infinex and, except as otherwise set forth in the investment advisory agreement, for all brokerage and custodial fees. The standard Infinex Advisory Program Fee schedule is set forth below and is expressed in terms of an annual percentage of account asset size. The Program Fee will be paid by the client quarterly in advance based on the value of the assets at the end of the prior calendar quarter.

CLIENT ADVISORY ACCOUNT PROGRAM

Fee Schedule

<u>Equity Securities & Mutual Fund Assets</u>	<u>Fixed Income & Cash Assets</u>
1.75% per annum	1.25% per annum

At the inception of an Infinex Advisory Account, Program Fees are billed from the date the account is opened through the end of that calendar quarter in advance. Thereafter, Program Fees are billed in advance for the next calendar quarter based on the value of the assets at the end of the prior calendar quarter. For post-inception deposits, prorated fees will be charged on each deposit. Client Advisory Account Program accounts will be subject to a minimum Program Fee of \$200 per calendar quarter.

4. Financial Planning & Consulting Service Fees

The fees for Infinex's Financial Planning services may be a fixed amount based upon the issues to be addressed by the IAR, or may be based on an hourly charge. Fees for plans will typically range from \$250 to \$5,000. Hourly fees generally range from \$75 to \$250, depending upon the experience of the IAR. Fees for Financial Planning and Consulting Services are generally negotiable by the IAR. Fees for Consulting Services are generally based upon either hourly rates or a fixed fee for the individual project. All Financial Planning and Consulting Fees will be specifically set forth in the Financial Planning or Consulting Agreement signed by the client in advance of services.

Infinex's fees for Financial Planning and Consulting Services are separate and distinct from any commission or other compensation that Infinex may earn in implementing any investment or insurance recommendations made by Infinex for a client's financial plan. A client is under no obligation to implement any financial plan recommendations by executing investment or insurance transactions through Infinex or its representatives. A Financial Planning Agreement or Consulting Agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

5. Negotiation of Fees; Costs Compared to Other Programs

The various fees and commissions are negotiable, as applicable, by Infinex, or the IAR, in their sole discretion, and as a result some accounts pay lower Program Fees or commissions or other expenses than other accounts. Separate account assets may be householded for fee calculation purposes.

The Program Fees described in this Brochure represent Infinex's maximum Program Fees for the services shown. Infinex or the referring IARs may negotiate on a case-by-case basis, depending on a variety of factors, including the nature and complexity of the particular service, the compensation requirements of the particular IAR, the client's relationship with Infinex and the IAR, the size of the account, and the potential for other business or clients, among other factors. Program Fees may be different at each branch office and with each IAR, depending on location and the extent and nature of service.

Further, Infinex or the IAR may offer significantly lower commissions or more favorable Program Fee arrangements for personal friends, relatives, or others with whom Infinex or the IAR have established personal or family relationships.

Program Fees paid may be more or less than fees charged for advisory, custodial or brokerage services offered separately, depending on the nature, size, and frequency of account transactions and other services. Depending upon, among other things, the size of the account, changes in value over time, ability to negotiate fees or commissions, and the number of transactions, the amount of this fee compensation may be more than what the IAR would receive if the client participated in other programs of Infinex, or paid separately for investment advice, brokerage and other services. Therefore, while wrap account compensation cannot be determined in advance, the IAR may have an incentive to recommend the Envestnet Program over other programs or services.

6. Availability of Similar Services from Other Firms

Clients can generally purchase the same or similar investment products or services through other firms that are not affiliated with us. However, clients who obtain investment products or services through other firms will not receive the benefit of the services we provide in determining which investment products or services may be appropriate in view of the client's financial situation, investment objectives, risk tolerance, and liquidity needs.

Our Program Fees may be higher (or lower) than fees charged by other advisers or institutions for similar services with better (or worse) performance or lower (or higher) risk. Clients should consider carefully all of the direct and indirect fees and expenses of our services and the investment products we recommend to fully understand the total costs and assess the value of our services.

B. DEDUCTION OF FEES BY THE CUSTODIAN

For the Envestnet Program, the Lockwood Program, and the Infinex Client Advisory Account Program, the Advisory Agreement will authorize and direct the custodian to deduct the Program Fee directly from the account upon receipt of instructions from Infinex, Envestnet, or Lockwood, as appropriate. Clients are required to authorize the custodian to deduct the Program Fees from the account; clients may not choose to have Program Fees billed to the client for payment in lieu of billing the custodian. The amount of the Program Fee will be reflected on a statement provided to the client at least quarterly by the custodian.

1. Risk of Liquidations to Pay Fees

The custodian will be authorized to deduct the Program Fees directly from the account and pay us according to our instructions, without notice to the client. If sufficient cash is not available in the account to pay the Program Fees when due, the custodian will liquidate securities selected by the custodian without prior notice to the client. If mutual funds are liquidated, the client may be charged a contingent deferred sales charge, an early redemption fee, or a fee to discourage short-term trading of fund shares. If the liquidated securities have declined in value, the client will realize a loss and forego the opportunity for future appreciation of the securities.

2. Computing Market Value

Typically, the value of an account will be based on the value reported by the Custodian on its monthly or quarterly statements (or its internal electronic system, if any, for values calculated other than at the end of a month or quarter); provided, Infinex may, in the exercise of its fiduciary obligations, determine the value an account or any asset in such manner as it shall determine in good faith to reflect its fair value.

C. ADDITIONAL FEES & EXPENSES

The Program Fees are separate and distinct from the additional costs described in this section.

1. Mutual Fund & ETF Expenses

Clients whose accounts invest in mutual funds or ETFs will indirectly bear the internal management, operating, and investment fees and expenses charged by mutual funds or ETFs to their shareholders, including servicing and distribution fees paid pursuant to Rule 12b-1 ("12b-1 Fees"), recordkeeping fees, transfer and sub-transfer agent fees. The risks, potential benefits,

fees, and expenses of mutual funds and ETFs are described in the product's prospectus or summary disclosure. Clients should become familiar with such information prior to investing.

Additionally, mutual funds may impose a contingent deferred sales charge ("CDSC") or redemption fee if shares are sold within a short time period, usually within 30, 60 or 90 days from the date of purchase.

Mutual fund and ETF fees and expenses are described in each fund's and ETF's prospectus. A client could invest in mutual funds and ETFs directly, without the services of Infinex or the IAR. In that case, the client would not receive the services provided by Infinex or the IAR, which are designed, among other things, to identify mutual funds or ETFs which are appropriate in light of the client's objectives, needs, and circumstances. Accordingly, clients should review the fees charged by the funds and ETFs in which their accounts are invested in evaluating the costs of the services being provided.

2. Cash Management Fees and Expenses

Cash in the account that is awaiting investment or reinvestment may be invested in cash balances or money market funds at Pershing (or its affiliates), pursuant to an automatic cash "sweep" program. The adviser to these funds may be Pershing (or its affiliate) or other custodian (or an affiliate of the custodian). Infinex's agreement with Pershing provides that Pershing will compensate Infinex based on the balances of client accounts in such sweep accounts. Consequently, the possibility of this compensation creates an incentive for Infinex to make decisions for the account which would have the effect of increasing this compensation. Infinex and Pershing (or its affiliate) may also receive from the money market fund distribution payments pursuant to Rule 12b-1. Such compensation or payments are not credited against, and will not reduce, the Program Fees owed to us.

D. PREPAYMENT OF FEES, TERMINATION & REFUNDS

The Advisory Agreements may be terminated by the client or us at any time upon written notice to the other. Upon termination, any earned but unpaid Program Fees owed to us will be immediately due and payable; and any unearned Fees we have received will be refunded to the client within 30 days. We will not ask or require prepayment of Fees of more than \$1,200 per client six months or more in advance.

An Advisory Agreement may be canceled at any time, by either party, for any reason, with notice to the other party, as provided in the Advisory Agreement. The client has the right to terminate the Advisory Agreement without penalty within five business days after entering into the Advisory Agreement. For the calendar quarter in which the Advisory Agreement is terminated, the Program Fee will be prorated based on the number of days that the Advisory Agreement was in effect during such quarter; and any unpaid Program Fees will be paid upon termination of the Advisory Agreement or the account.

After an Advisory Agreement has been terminated: transactions involving client's assets will be executed at the prevailing rates for, and client will incur commissions and other costs for transactions, clearance, settlement, and custodial charges imposed by the Custodian and any broker-dealers (including without limitation, Infinex); client will be responsible for monitoring the assets; and neither Infinex nor the IAR will have any further obligation with respect to client or those assets.

E. COMPENSATION FROM THE SALE OF SECURITIES OR OTHER INVESTMENT PRODUCTS

Infinex is registered as both an investment adviser and a broker dealer and is licensed as an insurance agency in a number of states. Clients who wish to purchase securities or insurance products or invest in individual securities outside of a wrap fee or other managed account will work through our IAR for these products, acting in their separate capacity as our broker-dealer representatives or agents of various insurance companies. Infinex hopes that Financial Planning and Consulting clients will implement advisory recommendations through Infinex; however, advisory clients do not have any obligation to implement any advisory recommendations through Infinex or our IARs, and may choose to purchase such products from other broker-dealers, insurance companies, or agents not affiliated with us.

When IARs sell securities or insurance products as our broker-dealer representatives they may earn commissions and other compensation, including servicing and distribution fees paid pursuant to Rule 12b-1, recordkeeping fees, and transfer and sub-transfer agent fees. If commissions are earned as a result of implementing investment advice, the IAR may, in his or her discretion, waive or reduce the amount of the Financial Planning or Consulting Fee by the amount of the commissions or by some other amount. Any adjustment to the Financial Planning or Consulting Fee is at the discretion of the IAR and will be disclosed to clients prior to implementing transactions. They may also be eligible to receive incentive awards (such as sales awards or other prizes such as trips or bonuses) for recommending certain types of insurance policies or investment products.

In the Envestnet Program, Infinex must pay Pershing's charges for effecting transactions for client accounts. We offset this cost by the 12b-1 Fees from the mutual fund investments made by our Envestnet accounts. This arrangement creates an incentive for the Envestnet Program to include mutual funds that pay 12b-1 Fees and a conflict with our clients' interest in minimizing the internal expenses of their investments.

Commissions and other compensation from sales of securities and insurance products represent more than half of our firm's annual revenue and are our primary forms of compensation. The potential for sales compensation provides an incentive for an IAR to place their interest ahead of a client's interests. While these individuals endeavor to put their clients' interest first, the receipt of sales compensation may affect their judgment when making recommendations. Clients, however, are not under any obligation to purchase any securities or insurance products recommended by our IARs, and may choose to purchase such products from firms not affiliated with Infinex or the IAR.

Item 6: PERFORMANCE COMPENSATION & SIDE-BY-SIDE MANAGEMENT

We are required to disclose in Item 6 certain information about any "performance-based" fee arrangements with clients, and any situations where we manage both accounts with performance-based fee arrangements and accounts without such arrangements.

Because we do not have any performance-based fee arrangements with our clients, we do not have further disclosures for Item 6.

Item 7: TYPES OF CLIENTS & ACCOUNT REQUIREMENTS

We provide investment advisory services to the following types of clients:

- Individuals, including high net worth individuals;

- Pension and profit sharing plans;
- Trusts, estates, and charitable organizations;
- Corporations and other businesses not listed above.

The following minimum account sizes apply to the managed account programs we offer:

Envestnet Program

- \$25,000 for Portfolio Planner ETF and Portfolio Planner Index Plus Programs;
- \$50,000 for Envestnet Portfolio Planner Direct and Select Programs; and
- \$1,000,000 for Portfolio Planner Direct SMA, Portfolio Planner Select SMA, and Portfolio Planner UMA Programs.

Lockwood Program

- \$50,000 for Lockwood Asset Allocation and AdvisorFlex Programs;
- \$100,000 for Lockwood SMA Program; and
- \$250,000 for Lockwood Investment Strategies Program.

Infinex Client Advisory Account Program

- \$50,000

Item 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

Each account's IAR will provide, on behalf of Infinex, the investment analyses, strategies, recommendations, and where discretion is granted, trading instructions for the account, to the extent of Infinex's responsibilities described in this Brochure, without prior consultation with Infinex. Infinex supervises the activities of its IARs, but does not generally manage or make investment decisions or recommendations with respect to specific accounts. The IARs are authorized to exercise on Infinex's behalf all discretion or other authority granted by clients to Infinex.

Below, we describe the methods of analysis and investment strategies generally used by our IARs in formulating advice and managing accounts on behalf of Infinex. Each IAR, however, determines the methods of analysis and strategies to be used in advising and managing his or her accounts, which may differ from the methods of analysis, strategies, or advice of other IARs. Clients should be sure to understand the methods of analysis and investment strategies their IAR expects to use in advising them or managing their accounts.

A. METHODS OF ANALYSIS

When Infinex is responsible for formulating investment advice for an account, the IAR will use one or more of the following methods of analysis, depending on the needs and objectives of the account:

1. Fundamental Analysis

Fundamental analysis attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the asset class of the security and the management of the company) to determine if the security should be included in the portfolio.

Fundamental analysis does not attempt to anticipate market movements. As such, this method of analysis carries a risk that it may not recognize when the price of a security is moving up or down as a result of overall market movement regardless of the economic and financial factors considered in a fundamental analysis of the security.

2. Technical Analysis

Technical analysis utilizes a number of different statistical measures and calculations (such as the direction and velocity of movements in certain market averages and indices, prices for securities or other investment products, and economic indicators, among other factors) to identify short, intermediate, and longer term market trends or cycles, and recurring patterns of market movement, to assist in determining when to enter or leave a market.

Technical analysis provides indications of market direction and potential turning points, but is an imprecise tool that can result in inaccurate buy or sell signals that do not coincide with actual market turns. Technical analysis does not consider the underlying financial condition of a company. As such, technical analysis carries the risk of generating a buy signal based on market trends for stock in a company that is poorly managed or financially unsound and that may underperform regardless of overall market movement.

3. Modern Portfolio Theory and Asset Allocation

Modern portfolio theory (MPT) can be used to develop asset allocation recommendations for clients. MPT is a quantitative asset allocation methodology used in balancing expected risk and return in a portfolio. Asset allocation focusing primarily on identifying an appropriate ratio of investments in equity securities (e.g., stocks), fixed income securities (e.g., corporate bonds), cash, and other types of investments consistent with the client's investment goals and risk tolerance.

MPT emphasizes portfolio diversity with a long-term investment perspective, and is firmly rooted in the belief that markets are fairly efficient and that investors' gross returns are determined largely by asset allocation decisions for deriving an optimal set of risk-return combinations among individual portfolio assets.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry, or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to market movements and, if not corrected, the portfolio will no longer be appropriate for the client's goals.

Also, MPT requires assessment of three critical "inputs" of portfolio assets: (i) expected returns; (ii) expected risk; and (iii) an expected correlation matrix for each position. There can be no assurance that Infinex will be successful in accurately forecasting the required inputs or that an optimal risk-return asset allocation combination will be achieved. Similarly, there is no assurance that MPT (or any other investment methodology) will be profitable over any specific time period.

While we generally subscribe to the MPT investment philosophy, occasionally an IAR may find unexpected investment opportunities. In these circumstances, the IAR may recommend the investment even though it deviates from the account's general strategy.

4. Mutual Fund and Third-Party Manager Analyses

Depending on the specific program, account assets will generally be invested in portfolios of mutual funds, and in some programs, exchange-traded funds ("ETFs"). ETFs are a type of

investment company that aims to achieve the same return as a particular market index. They can be either open-end companies or unit investment trusts. ETFs are not considered to be, and are not permitted to call themselves, mutual funds. ETFs differ from mutual funds and unit investment trusts because shares issued by ETFs are bought and sold by investors on a secondary market. Unlike mutual funds, retail investors generally cannot tender their shares directly to the ETF for redemption because shares of ETFs are redeemable from the fund only in very large blocks (blocks of 50,000 shares, for example).

ETFs offer the ease of stock trading. ETFs can be purchased on margin, sold short, or held for the long term. Inflex may use ETFs to achieve market exposure consistent with the index on which the ETF is based, through one security. Investment returns and principal value will fluctuate so that an account's ETF shares, when sold, may be worth more or less than the original cost. In analyzing mutual fund investments, we look at the underlying investments in the funds to determine appropriateness for the overall portfolio.

We look at the experience and track record of the mutual fund and ETF managers to determine if they have demonstrated the ability to invest successfully over periods of time and in different economic conditions. We also consider whether or not there is a significant overlap with the underlying investments held in other funds or ETFs. We monitor the funds and ETFs in an attempt to determine if they are continuing to follow their stated investment strategies. We analyze very similar factors when reviewing third-party managers.

A risk of our method of analysis is that past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, we do not control and do not have complete information about the underlying securities owned by the mutual funds, ETFs, or third-party managers. Further, there is a risk we may not be aware that the portfolio managers of two or more of the mutual funds or ETFs may have invested in the same security, which would increase the risk to the client if that security were to fall in value. Additionally, there is a risk that a manager may deviate from the stated investment mandate or strategy of a fund or ETF, which could cause the fund or ETF to become less suitable for a client. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

5. Portfolio Adjustments

Unless the client notifies us in writing to change the portfolio and allocation for their account, we will continue to manage the account according to the most recent written instructions of the client. Clients should inform us promptly of significant changes in their individual or family circumstances or financial situation, or in their investment goals or objectives, investment time horizon, tolerance for risk, or liquidity needs so that appropriate changes can be made in the portfolio and asset allocation for their account. Accounts will be "rebalanced" to their target allocations only to the extent specifically provided in the Advisory Agreement for the particular program.

Please refer to Item 8.B for information regarding limitations and risks related to our methods of analysis.

B. INVESTMENT STRATEGIES & RISKS

When serving as portfolio manager, we use the following investment strategies, as appropriate, depending on the particular needs and objectives of the account:

When Infinex serves as portfolio manager for an account, the IAR will use one or more of the following methods of analysis in formulating advice, depending on the needs and objectives of the account:

1. Long-term Investments

This strategy involves buying and holding a security for a year or longer, which may occur when we believe a security is currently undervalued or we seek exposure to a particular asset class over time, regardless of the current values. A long-term investment strategy carries the risk that the investments will not achieve the price targets our analysis suggests. The risks of this strategy will be influenced by the types of securities and issuers in which we invest. We may invest in securities of issuers with any size market capitalization.

A risk of a long-term purchase strategy is that by holding the security for the anticipated length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, the security may decline in value before we make the decision to sell.

2. Short-term Purchases

This strategy involves purchasing securities with the idea of selling them within a relatively short time to take advantage of conditions we believe will soon result in a favorable price swing. There is no assurance the securities will perform as expected. A short-term purchase strategy poses risks that the anticipated price swing may not materialize, leaving a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss. This strategy involves more frequent trading than a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term gains.

3. Trading

Trading involves purchasing securities with the idea of selling them relatively quickly. We may use this strategy to take advantage of our predictions of brief price swings. A trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize, and could result in having a long-term investment in a security that was designed to be a short-term purchase, or the potential of a loss.

We do not anticipate using a frequent trading strategy. However, in the event we recommend this strategy for a particular client, they should understand that higher rates of portfolio turnover would likely result in an increase in the account's brokerage costs. High portfolio turnover may also result in the realization of net capital gains, and any distributions derived from such gains may be ordinary income for federal tax purposes.

4. Short Sales

We do not expect to recommend frequent short sales of securities. However, clients should understand the nature of these transactions, in the event we see a potential opportunity to take advantage of a future drop in the price of a security. In a short sale, your account will sell a security that it does not own. It can do this by "borrowing" the stock from the account's broker

with your promise to replace the security on a future date. If the security's price falls before you have to return the security to the broker, your account would repurchase it at the lower price, thereby making a profit higher than the amount received from the original short sale

These transactions may be speculative and involve special risk considerations. For example, you will lose money if the value of the security increases and you have to buy it at a higher price in order to return it to your broker. Because there is theoretically no limit to how high the price of the security can go, your potential losses can be infinite. Also, you must pay interest to the broker during the time you have borrowed the security, and you must also pay the broker's commissions or other transaction costs to engage in the initial short sale and the repurchase of the security.

5. Margin Transactions

Occasionally, we may use a margin account offered by the custodian to borrow sufficient funds to purchase a security for your account. This typically happens if sufficient cash is not available in the account to purchase the security and it is not advantageous to sell other investments. The use of margin carries risks that you should understand. We do not expect to use significant amounts of margin or other leverage in our strategies. However, certain types of transactions may or must be executed through a "margin account" (e.g., short sales).

In volatile markets, security prices can fall very quickly. If the net value of your account (less the amount you owe the broker) falls below a certain level, the broker will issue a "margin call" and you will be required to sell the security (and other positions) or add more cash to the account. You could lose more money than you originally invested. Additionally, you must pay interest on the margin balance you owe to the broker until it is repaid in full. The amount of margin interest will diminish your profits and in some cases could cause net losses in your account.

6. Option Transactions

There are several types of option transactions that we may recommend in particular circumstances. However, we do not expect frequent option transactions. We may recommend certain clients sell "covered call" options to earn extra income. In these transactions, a third party pays you a "premium" for your promise to sell a specific security to the third party at a fixed "exercise" price no later than a certain "expiration date." If the market price of the security on the expiration date is less than the exercise price, the third party will not exercise the option and it will expire. In that case, you would realize a profit equal to the premium you received, less transaction costs. However, if the security price is above the exercise price, you will be required to sell the security at the agreed price, even though the market price may be far higher.

7. Insolvency of Brokers and Others

Clients will be subject to the risk of failure of the brokerage firms that execute their trades, the clearing firms that such brokers use, or the clearinghouses of which such clearing firms are members. Although we believe the institutions we recommend have sufficient capital, there is no assurance this will continue to be the case.

8. Trade Errors

On infrequent occasions, an error may be made in a client account. For example, a security may be erroneously purchased for a client account instead of sold. In these situations, if Infinex was responsible for such error, Infinex's policy is to restore or return the account to the position it would have been in had the trading error not occurred. Depending on the circumstances, various

corrective steps may be taken, including but not limited to, canceling the trade, adjusting an allocation, or reimbursing the account.

9. Caution Regarding Estimates

When we develop estimates or projections for a client, whether of estimated future income, expenses, inflation, tax liabilities, or other matters, we will rely on the information the client provides and on assumptions about certain key economic, financial, and tax matters. While we believe the assumptions will be reasonable at the time made, there is no assurance the assumptions will prove correct in the future. Our assumptions about governmental policies or tax rates, economic or market conditions, or other key matters may not be accurate within the time frames projected. Any errors in the information we receive or in the assumptions we use may result in significant differences between our projections and your actual experience.

10. Risks of Inaccurate or Biased Information

Our methods of analysis assume the accuracy of the information we analyze, such as ratings, financials, and research. While we are alert to indications that the data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

11. Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Securities are not guaranteed and you may lose money on your investments. We ask that you work with us to be sure we understand your willingness and financial ability to bear the risks of your current investments and the investments we recommend for your account.

The securities, insurance products, and investment advice recommended or provided by Infinex are not insured by the FDIC or any other agency of the United States and are not deposits or obligations of, nor guaranteed or insured by, any bank or bank affiliate. These products and services are subject to investment risk, including possible loss of principal.

Item 9: DISCIPLINARY INFORMATION

We are required to disclose in Item 9 information about legal or disciplinary events that would be material to your evaluation of our advisory business or the integrity of our management.

Matter 1: Acceptance, Waiver & Consent Agreement

Regulator: FINRA
Date: January 20, 2011
Fine: \$15,000

The Firm entered into an Acceptance, Waiver & Consent Agreement with FINRA to resolve FINRA's finding that the Firm had failed to maintain adequate books and records required under the rules of the Securities and Exchange Commission and the Municipal Securities Regulatory Board with respect to certain corporate and municipal bond transactions; failed to establish, maintain, and enforce a supervisory system reasonably designed to achieve compliance with corporate and municipal bond order ticket recordkeeping and retention requirements; and failed to provide adequate instruction to firm personnel with respect to order ticket requirements.

Matter 2: Stipulation and Consent

Regulator: Illinois Secretary of State, Securities Department
Date: August 22, 2007
Fine: \$10,100

The Firm entered into a consent order with the State of Illinois regarding the inadvertent performance of certain securities activities in the state involving clients who had relocated to Illinois from states in which the Firm was properly registered. The Firm was fined \$6,500 and an additional \$3,600 which was characterized as back registration fees.

Item 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

A. FINANCIAL INDUSTRY REGISTRATIONS & ARRANGEMENTS

We are required to disclose in Item 10 if Infinex is registered as a broker-dealer, futures commission merchant, commodity pool operator, or commodity trading advisor, or if our managers are registered as a representative of such a firm.

We are registered with the SEC and 47 states as a broker-dealer, and are a member of FINRA. Infinex's primary business activity is providing brokerage and other services on a "networking" basis to customers at banks and other financial institutions. The executive officers and IARs of Infinex are separately licensed as registered principals or representatives of Infinex. Infinex's principal executive officers and associated persons, in their separate capacities, may effect securities transactions for any client for separate and typical commission compensation.

Please refer to Item 5.E for further information about the brokerage services Infinex and our IARs provide to clients and the additional compensation that clients pay to purchase securities or insurance products outside of the managed account (wrap) programs we offer.

Our principal business as a broker-dealer involves networking agreements with banks. These agreements permit Infinex to offer brokerage services, insurance products (such as fixed and variable annuities), and investment advisory services to customers of the bank. This program is often referred to as the "Infinex Program," and banks which offer the Infinex Program to their customers are referred to as "Subscribing Banks."

In consideration for allowing Infinex to offer products and services to their customers on bank premises, Infinex pays to each Subscribing Bank a revenue sharing payment, calculated upon the commissions and other compensation generated by Infinex on sales to the Subscribing Bank's customers. Our IARs are often also employed by the Subscribing Bank.

As a registered broker-dealer, Infinex has entered into a fully disclosed clearing agreement with Pershing under which Pershing provides clearing, custody and recordkeeping services for Infinex brokerage client accounts. In connection with the Envestnet Program, the Lockwood Program, and the Infinex Client Advisory Account Program, Infinex will act as the introducing broker-dealer for all brokerage transactions originated by the portfolio managers. Infinex does not receive an additional compensation for this service; however, Pershing, as clearing broker and custodian, is compensated for these services out of the program fees payable by the client.

Infinex is also licensed as an insurance agency in each of the states in which it does business and offers insurance and insurance-related products and services in those states. IARs may also

be licensed as insurance agents with Infinex and appointed with various national insurance companies. As licensed agents, these individuals are able to recommend and sell life, accident, health, and variable annuity and variable life insurance products. Recommendations for these products may be made to Infinex financial planning, consulting, or other clients and any transactions effected for these clients would be for separate and typical compensation. These transactions occur outside of the Envestnet Program, the Lockwood Program, and the Infinex Client Advisory Account Program.

It is expected that Infinex and its executive officers will spend more than fifty percent of their time on brokerage and related activities, and less than fifty percent of their time on matters related to investment advisory services.

Clients should be aware that the receipt of any additional compensation by our firm and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making recommendations. We endeavor at all times to put the interest of our clients first as part of our fiduciary duty as a registered investment adviser and take the following steps to address this conflict:

- We disclose the existence of all material conflicts of interest, including the potential for our firm and its employees to earn compensation from advisory clients in addition to our advisory fees;
- We disclose to clients that they are not obligated to purchase any securities or insurance products or services from Infinex or our IARs;
- We ensure that client advisory fees are not increased due to referral fees paid by our firm;
- We collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- Our management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- We require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- We periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- We educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

B. REFERRALS TO OTHER ADVISERS

Please refer to Items 4.B and 4.D for information about our recommendations of third-party advisory programs (including wrap fee programs) and the conflicts of interest we have in recommending these programs.

Please refer to Item 4.B and 14 for information about our Adviser Referral Services and the conflicts of interest we have when referring clients to other investment advisers.

Item 11: CODE OF ETHICS, INTEREST IN TRANSACTIONS & PERSONAL TRADING

A. CODE OF ETHICS

Infinex has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Infinex's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth Infinex's practice of supervising the personal securities transactions of supervised persons with access to information regarding client recommendations or transactions.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy of our Code of Ethics by email sent to compliance@infinexgroup.com or by calling us at (203) 599-6000.

We owe a duty of loyalty, fairness, and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but also to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the Firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our Code also provides for oversight, enforcement, and recordkeeping provisions.

Our Chief Compliance Officer may grant exceptions to certain provisions contained in the Code where the interests of our clients will not be adversely affected or compromised. Doubts arising in connection with personal securities trading should be resolved in favor of the client even at the personal expense of our employees.

Our Code of Ethics further includes the Firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

Infinex or any of its principals, officers, affiliates, employees and IARs may act as investment adviser for others, may manage funds or capital for others, may have, make and maintain investments in its or their own names, or may serve as an officer, director, consultant, partner or stockholder of one or more investment partnership's or other businesses, subject to compliance with Infinex's Code of Ethics and other written procedures. In doing so, Infinex or such persons may give advice, take action, and refrain from taking action, any of which may differ from advice given, action taken or not, or the timing of any action, for any particular client.

Nothing in this Disclosure Document or otherwise shall impose upon Infinex or any IAR any obligation to purchase or sell, or to recommend for purchase or sale, for any accounts any security which Infinex or any principal, officer, employee or IAR purchases or sells for his own account or for the accounts of other clients, unless not to engage in such activity would violate Infinex's fiduciary duty.

Confidentiality of Client Information

Protecting the confidentiality of its customers' nonpublic information is paramount for Infinex. As such, the Firm has instituted policies and procedures to ensure that nonpublic customer information is kept confidential. Infinex does not disclose any nonpublic personal information about its customers or former customers to any nonaffiliated third parties except as provided in this Brochure, in its Notice of Privacy Policies, or as required by or permitted by law. In the course of servicing a client's account, Infinex may share some information with Subscribing Banks, its service providers, transfer agents, custodians, broker-dealers, accountants, and attorneys. Infinex restricts internal access to nonpublic personal information about the client to those employees who need access to such information in order to provide products or services to that client. Infinex also maintains physical, electronic, and procedural safeguards to protect its clients' information.

Infinex and our IARs may share among themselves information regarding clients, accounts, and account activity, and each has agreed to keep such information confidential, to be used only to provide services for the account or to meet regulatory or supervisory requirements. Under certain circumstances, former IARs may be permitted to retain copies of nonpublic customer information after they cease to be associated with Infinex.

A copy of the Firm's Notice of Privacy Policies will be provided to each client at the beginning of our relationship. Thereafter, Infinex will deliver annually to its clients the Firm's current notice of privacy policies.

B. RECOMMENDATIONS INVOLVING OUR FINANCIAL INTERESTS

We are required to disclose in Item 11 if we recommend that clients invest in securities in which Infinex or our employees have a material financial interest.

We do not make any such recommendations to our clients. However, see our response to Item 11.C below.

C. INVESTMENTS IN SECURITIES WE RECOMMEND TO CLIENTS

Individuals associated with Infinex may buy or sell securities for their personal accounts identical to or different from those recommended to clients. It is the policy of Infinex that no person employed by Infinex shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of clients. Subject to the Code of Ethics, Infinex and its employees are permitted to trade for their own accounts side-by-side and in block transactions with the firm's clients in the same securities, and at the same time. We have adopted the procedures described in Item 11.D to address the actual and potential conflicts of interest raised by our policies.

D. INVESTMENTS AROUND SAME TIME AS CLIENT TRANSACTIONS

Infinex and its employees are permitted to trade for their own accounts side-by-side with clients in the same securities at or around the same time as clients on the same trading day. We do not aggregate our employee trades with client transactions.

We have adopted the procedures described below to address the potential conflicts of interest from our policies described in Items 11.C and 11.D:

- Infinex prohibits employees from purchasing or selling securities (other than mutual funds) immediately prior to client transactions, in order to prevent employees from benefitting from transactions placed on behalf of advisory accounts.
- Infinex or individuals associated with Infinex may buy or sell securities for their personal accounts identical to the securities recommended to customers. Additionally, any related person(s) may have an interest or position in certain securities that have been recommended to clients.
- A director, officer, or employee of Infinex shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry.
- No person of Infinex shall prefer his or her own interest to that of the advisory client.
- Infinex maintains a list of all securities holdings for itself, and anyone associated with it with access to advisory recommendations. These holdings are reviewed on a regular basis by the Chief Compliance Officer of Infinex.

- Infinex emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where Infinex is granted discretionary authority of the client's investments.
- Infinex requires all employees to act in accordance with all applicable Federal and State laws and regulations governing registered investment advisory practices.
- Any individual not in observance of the above may be subject to discipline, including termination.

Item 12: BROKERAGE PRACTICES

A. FACTORS WE CONSIDER WHEN RECOMMENDING BROKER-DEALERS

In this Item 12, we describe the factors we consider in selecting or recommending broker-dealers for client accounts and transactions, and in determining the reasonableness of their compensation. We also describe various conflicts of interest that may influence our recommendations.

Infinex does not have discretionary authority to determine the broker-dealer to be used for client accounts participating in managed account (wrap) programs. Clients are required to direct the use of Infinex as the introducing broker-dealer and Pershing as clearing broker-dealer for all account transactions. Infinex receives no additional compensation to serve in this capacity. Pershing's fees for clearing and custody services are included in the client's wrap fee. Because our managed accounts direct the use of the broker-dealer, we do not negotiate commissions with other broker-dealers or obtain volume discounts, and our accounts may not necessarily obtain best execution for all transactions.

Although Pershing has indicated its willingness to allow accounts to direct orders to unaffiliated broker-dealers, such a decision would be highly unusual since the account would, in effect, be paying twice for brokerage services: first, to Pershing through the wrap fee, which includes the costs of Pershing's brokerage services; and second, to any other brokerage firm the client designates, through additional commissions and other transaction costs. The wrap fee will not be reduced or offset by the brokerage or other transactions costs a client incurs by placing orders through a different broker-dealer. Additionally, Pershing will assess the account an extra fee per trade for orders placed with other broker-dealers. The practical result of a wrap fee program is that the client is generally limited to Pershing and Infinex for brokerage services for their program account.

Please see below in this Item 12 for further information about the consequences of directing brokerage.

1. Research and Other Services

In recommending brokers to our advisory clients, we consider the full range and quality of the broker's services, including, among other things, execution capability, cost, financial responsibility, responsiveness, and the value of research and other services provided. Infinex will not recommend a broker solely on the basis of the lowest possible commission cost, but rather, will determine whether the broker has the ability to provide the best qualitative execution. The reasonableness of a broker's compensation is based on the broker's ability to provide professional services, competitive commission rates, research, and other services which will help us in providing investment services to clients. Consequently, we may recommend a broker that provides useful research and brokerage services, even though a lower commission may be charged by a different broker.

Our recommendation of Pershing is influenced by our economic interests. As an investment adviser, we have a significant interest in encouraging clients to open and maintain accounts with Pershing. We depend, in large part, on the services Pershing provides as custodian for our client accounts and providing us with access to account information and other institutional services. Pershing makes available to us:

- access to an institutional trading desk;
- duplicate client confirmations and bundled duplicate statements;
- ability to have investment advisory fees deducted directly from client accounts;
- access to an electronic communications network for client account information;
- receipt of compliance publications;
- access to mutual funds otherwise available for significantly higher minimum initial investments or only to institutional investors; and
- access to educational events or occasional business entertainment of our personnel.

These services and benefits are generally available to investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's client assets are maintained in accounts with the broker-dealer. These services are not contingent on Infinex committing to any specific amount of business (assets in custody or trading commissions). Pershing also provides access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

The products and services Pershing make available may not directly benefit any particular client's account. Many of these products and services may be used to service other client accounts, including accounts not maintained at Pershing. Research and other services may be used in servicing all of our clients, and not just accounts maintained with the broker. We do not attempt to put a specific dollar value on the services received by each account or to allocate the relative costs or benefits of these services among accounts, believing that the research and services we receive will help our firm to fulfill its overall duty to its clients.

When we use client brokerage commissions, markups, or markdowns (or similar amounts paid for executing wrap account transactions) to obtain research or other products or services from brokers, we do not have to pay for the research, products, or services from our own funds. Consequently, a conflict exists between the interests of our clients in receiving best execution for their accounts and our interest in receiving such products and services. Although we strive to address these conflicts in a manner consistent with our fiduciary duty, our judgment may be affected such that our efforts may not be entirely successful.

In evaluating whether to recommend Pershing to our clients, we consider all of the products, services, and benefits we receive; our recommendation is not based solely on the cost and quality of the custodial or brokerage services Pershing provides.

Because of the incentive we have to recommend Pershing, we have adopted policies and procedures to monitor and mitigate this conflict by periodically analyzing the Pershing programs and the accounts we recommend for our clients, evaluating the usefulness of the services received in relation to the costs of such services, and assessing the overall quality of the services.

2. Benefits from Our Clearing Relationship

In addition to the economic benefits described above, we receive additional benefits in connection with our introducing broker-dealer and clearing relationship with Pershing. While there is no direct linkage between advice given to clients and the benefits provided by Pershing, we would not receive these benefits if we did not recommend the use of Pershing.

Cash awaiting investment or reinvestment may be invested in cash management or money market funds at Pershing (or its affiliate), pursuant to an automatic cash sweep program. The adviser to these funds may be an affiliate of Pershing (or its affiliate). Infinex and the IAR may receive distribution payments pursuant to Rule 12b-1 from these funds, and may also be compensated by Pershing based on the aggregate balances of accounts invested in these funds. Such payments and compensation are not credited back to client in calculating the Program Fee under the Advisory Agreement.

Similarly, Pershing may grant Infinex or an IAR reductions or allowances against ticket fees or transaction processing costs based on the amount of client assets maintained by Pershing. Pershing may sponsor our Firm's conferences or an IAR's client meetings, and may bear certain costs of IARs to attend Pershing's annual conference.

Our interest in continuing to receive the benefits and services provided by Pershing creates an incentive to recommend Pershing, even if not in the best interest of our clients, and may cause us to be reluctant in recommending a lower cost broker-dealer or custodian, or in advising clients if their accounts do not receive best execution.

B. BROKERAGE FOR CLIENT REFERRALS

We refer our investment management clients to Pershing; however, we do not receive client referrals from Pershing and do not have procedures to direct client transactions to Pershing in return for client referrals. If Infinex receives future client referrals from a broker-dealer, we will not commit to compensate the referring broker-dealer. Nonetheless, if referrals are offered or made to us, a potential conflict of interest may arise between our interest in continuing to receive referrals and our clients' interests in obtaining best price and most favorable execution.

C. DIRECTED BROKERAGE

Clients are required to direct us to use the services of Pershing as clearing broker-dealer and custodian for their accounts, and our services as introducing broker-dealer, for all transactions for their managed accounts. Not all investment advisers require their clients to direct the use of a particular broker-dealer. Infinex receives no additional compensation for serving in this capacity. Pershing's fees for its clearing and custodial services are included in the wrap fee.

Because the client directs us to use Pershing as the clearing broker-dealer and Infinex as the introducing broker-dealer, we will not seek lower costs, volume discounts, or price improvement opportunities and best execution may not be achieved. Even in a wrap fee arrangement, the implicit costs for client transactions may be higher for accounts that direct the use of a broker than for accounts that do not direct brokerage, and a disparity may exist between the overall costs for these accounts. While Infinex has a reasonable belief that Pershing is able to provide best execution and competitive prices, Infinex will not independently negotiate or seek lower commissions, volume discounts, or price improvements through other broker-dealers.

D. AGGREGATION OF SECURITY TRANSACTIONS

For those accounts for which we serve as portfolio manager, we have the authority, but not the obligation, to combine or aggregate orders for multiple accounts into combined “block” trades we place with the accounts’ broker-dealer. Block trading offers the potential for better prices, reduced transaction costs, and timelier execution of orders for the accounts included in the block. Block orders will usually be executed through an “average price account” or similar account such that transactions for all accounts participating in the order will be averaged as to price and transaction costs, and the securities purchased or net proceeds received will be allocated pro rata among the accounts in proportion to their respective orders placed that trading day.

Clients should be aware that due to the types of investments in our client accounts (particularly, mutual funds priced daily at NAV), and differences in account objectives, cash positions, account types, and the systems we have available for placing orders, among other factors, block orders may be uncommon for some or all accounts. Accounts whose orders are not aggregated with other orders of other accounts will not receive the benefits of potentially lower transaction costs (if any), or timelier or better execution that might be obtained by accounts whose orders are aggregated.

In certain situations, aggregation of orders may operate to the disadvantage of some accounts, such as where an account may have been able to have its order executed at a more favorable time on a particular trading day. Adviser will ensure that no account it manages as portfolio manager is unreasonably or systematically disadvantaged through the use of block trading. Proprietary accounts of Infinex and its supervised persons may participate in block orders on the same basis as clients.

Item 13: REVIEW OF ACCOUNTS

A. PERIODIC & OTHER ACCOUNT REVIEWS

1. Managed Account Programs

Accounts that participate in managed account (wrap) programs and for which we serve as portfolio manager are subject to continuous review by the IAR and are reviewed at least quarterly by the IAR to evaluate consistency of the portfolio with current account investment objectives, and target asset allocation and weighting. More frequent reviews can be triggered by significant market or economic factors, or changes in the client’s financial situation, large withdrawals or significant deposits, or changes in account objectives, liquidity needs, or risk tolerance.

For accounts participating in the Infinex Client Advisory Account Program, the IAR will review the account on a quarterly basis to determine whether the portfolio is consistent with the Investment Strategy Report (or other available account documentation, as the case may be).

For other managed accounts for which we do not serve as the portfolio manager, the IAR reviews the account at least quarterly, and on at least an annual basis evaluates whether investment objectives are being met.

We notify the client periodically to contact the IAR of changes in the account’s financial situation or investment objectives, or any reasonable account restrictions the client wishes to impose or modify. At least annually, the IAR will contact the client to determine if there have been any

changes in the account's financial situation or investment objectives, or if the client wishes to impose or modify any reasonable account restrictions.

2. Financial Planning & Consulting Services

For Financial Planning and Consulting clients, the IAR and the client will engage in meetings, telephone conversations, and other communications to discuss and review the various topics to be addressed while the financial plan is being developed or the consulting project is being addressed, and upon delivery of the written financial plan or our verbal advice for consulting engagements. We will not provide any on-going monitoring, advice, or updates unless specifically agreed in a written Financial Planning or Consulting Agreement.

B. CLIENT REPORTS

In addition to the brokerage statements that Pershing provides to clients (typically on a monthly basis), clients participating in a managed account program will receive from Envestnet or Lockwood, as appropriate, quarterly reports of account performance, transaction details, account holdings, and market commentary.

Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise agreed in the Financial Planning Agreement. Consulting Services clients will not receive any reports unless specifically provided in their Consulting Agreement.

Item 14: CLIENT REFERRALS & OTHER COMPENSATION

A. ARRANGEMENTS WITH THIRD PARTIES FOR ECONOMIC BENEFITS TO THE FIRM

As described in Item 12, Infinex participates in Pershing's institutional portfolio management program. While there is no direct linkage between the investment advice given and our participation in the Pershing program, economic benefits are received by us that would not be received if we did not recommend Pershing, the Envestnet Program, the Lockwood Program, and Pershing's other programs and services to our clients. These economic benefits create a conflict of interest because we do not have to arrange or pay for such services from our separate resources. As such, these benefits may affect our judgment in recommending Pershing to clients. While we monitor our accounts, evaluate the costs and services provided by Pershing, and take measures to detect if our judgment has been influenced by these economic benefits, there is no assurance our efforts will be successful.

Please refer to Item 12 for further information about the products, services, and economic benefits we receive from Pershing.

B. ARRANGEMENTS TO COMPENSATE THIRD PARTIES FOR CLIENT REFERRALS

As described in Item 10, Infinex has entered into agreements with various Subscribing Banks, pursuant to which our IARs may solicit applications from, negotiate with, and sell or offer investment services and products to members and customers of the Subscribing Banks during the term of the agreement. Employees of the Subscribing Banks will refer customers to us and the Subscribing Banks may pay them a referral fee under the guidelines of SEC Regulation R. The investment services and products marketed to the members and customers of Subscribing Banks shall be offered and sold exclusively by IARs contracted by Infinex, who shall be licensed with the appropriate regulatory authorities pursuant to the applicable state and federal

insurance and securities laws and regulations. The Financial Institution will be compensated in connection with the sales of all securities, insurance products, and advisory fees.

Otherwise, we do not have other arrangements to compensate third parties for client referrals. If we agree to pay a third party for making referrals of advisory clients to us, we will disclose this practice in writing to the client and will comply with other applicable requirements under SEC Rule 206(4)-3. In particular, we will require any solicitors to provide clients with a current copy of this Brochure and the solicitor's written disclosure.

Item 15: CUSTODY & ACCOUNT STATEMENTS

Clients will receive account statements directly from Pershing on at least a quarterly basis showing all transactions in the account during the reporting period. Please review Pershing's account statements carefully.

Pershing's statements are separate from the quarterly managed account reports from Envestnet or Lockwood, as described in Item 13. To the extent these quarterly reports refer to assets held by Pershing, we recommend that the client compare the reports with the custodian's statements. Any discrepancies should be reported promptly to our Chief Compliance Officer, John Martin, by email at compliance@infinexgroup.com <mailto:suzannesja@cs.com> or by telephone at (203) 599-6000.

Item 16: INVESTMENT DISCRETION

We do not have investment discretion for accounts participating in the Infinex Client Advisory Account Program. That program is a non-discretionary, client-directed program.

In the Envestnet Program and the Lockwood Program, Infinex or a third-party investment adviser will serve as portfolio manager of the client's account. The client is required to grant the portfolio manager full authority to manage the client's account on a discretionary basis to buy, sell, retain and exchange investments, and exercise such other powers as the portfolio manager deems appropriate consistent with the program selected by the client. The portfolio manager will have full discretion to adjust or change the model or weighting of any model portfolio, may invest the account's assets in cash or cash equivalents and effect temporary "sweep" transactions of all uninvested cash balances to a money market mutual fund or other cash management account, which may be managed by the custodian or an affiliate of the custodian.

All grants of discretionary authority must be in writing. If a client wishes to impose reasonable limitations on the portfolio manager's discretionary authority, such limitations must be included in the client agreement or otherwise submitted to us in writing. The client may change or amend these limitations, as desired, by written instruction to the attention of our Chief Compliance Officer, John Martin, by email at compliance@infinexgroup.com, <mailto:suzannesja@cs.com> by telephone at (203) 599-6000, or by mail to the address shown on the cover page of this Brochure. Clients should be aware that under the terms of each program and any separate agreement between the client and a third-party portfolio manager, the third-party manager may not accept limitations on its authority.

ITEM 17: VOTING CLIENT SECURITIES

We require the client to retain responsibility for voting all account securities. We will not vote, exercise rights, make elections, or take other such actions with respect to securities held for accounts we manage. If desired, a client may instruct us in writing to forward to the client or a

third party materials we receive pertaining to proxy solicitations or similar matters. Upon receipt of such written instructions, we will use reasonable efforts to forward such materials in a timely manner. In the absence of a written request, we will discard account proxy and related materials.

Clients may obtain proxy materials directly by written request to the account's custodian. For information about how to obtain proxy materials from a custodian, clients may contact us by email to John Martin at compliance@infinexgroup.com, or by mail to the address on the front of this Brochure. However, we do not provide advice about the issues raised by proxy solicitations or other requests for corporate action.

Similarly, we do not advise or exercise rights, make elections, or take other actions with respect to legal proceedings involving companies whose securities are or were held in a client's account, such as asserting claims or voting in bankruptcy or reorganization proceedings, or filing "proofs of claim" in class action litigation. If desired, a client may instruct us in writing to forward to the client or a third party any materials we receive pertaining to such matters. Upon our receipt of such written instructions, we will use reasonable efforts to forward such materials in a timely manner. In the absence of a written request, we will discard such materials. Written instructions should be sent to John Martin by email at compliance@infinexgroup.com, or by telephone at (203) 599-6000, or by mail to the address shown on the cover page of this Brochure.

Item 18: FINANCIAL INFORMATION

A. PREPAYMENT OF MORE THAN \$1,200 IN FEES SIX MONTHS OR MORE IN ADVANCE

SEC-registered investment advisers who require or solicit fees of more than \$1,200 per client, six months or more in advance are required to provide an audited balance sheet.

Because we do not require or solicit prepayment of fees exceeding \$1,200 per client, six months or more in advance, we have not provided a balance sheet.

B. DISCLOSURE OF CERTAIN FINANCIAL CONDITIONS

SEC-registered advisers with custody or discretion over client funds or securities, or who require prepayment of fees exceeding \$1,200, six months or more in advance must disclose any financial condition reasonably likely to impair their ability to meet contractual commitments to clients.

There is no financial condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

C. BANKRUPTCY WITHIN PAST TEN YEARS

Infinex's who have been the subject of a bankruptcy petition at any time during the past ten years must disclose certain information about the matter.

Infinex has never been the subject of a bankruptcy petition.