

Form ADV Part IIA

Nexus Financial Programs, Inc.

2910 N. Arcadia Street
Colorado Springs, CO 80907
719-630-7204
Toll Free 800-528-7104
FAX 719-630-7844

March 2011

Revised January 2012

This brochure provides information about the qualifications and business practices of Nexus Financial Programs, Inc. If you have any questions about the contents of this brochure, please contact us at 719-630-7204. 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.

Additional information about Nexus Financial Programs, Inc. is also available on the SEC's website at www.advisorinfo.sec.gov.

Material Changes

1. The annual percentage fee for services is modified as follows:

The annual services fee for client funds, invested in a single mutual fund family of funds and in excess of \$10,000,000 is changed from “negotiable” to 0.50% of the assets managed.

The annual services fee for client funds, using multiple mutual fund families and in excess of \$10,000,000 is changed from “negotiable to 0.75% of the assets managed.

3. There is a change in Executive Officers and Representatives.

Clifford B. Poulton is not affiliated with Nexus Financial Programs, Inc. as a representative, consultant or executive officer.

Table of Contents

	Page
Advisory Business	4
Fees and Compensation	5
Performance-Based Fees and Side-by-Side Management	6
Types of Clients	6
Methods of Analysis, Investment Strategies and Risk of Loss	7
Disciplinary Information	8
Other Financial Industry Activities and Affiliations	8
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	8
Brokerage Practices	9
Review of Accounts	9
Client Referrals and Other Compensation	10
Custody	10
Investment Discretion	10
Voting Client Securities	10
Financial Information	11
Requirements for State-Registered Adviser	11

Advisory Business

We established our business in 1985. Our principal owners are Stephen R. Dierks, Robert A. Forbes and Craig H. Forbes. We have provided asset allocation services to our clients since 1994. We have no other owners, intermediaries or subsidiaries. Our organization has built a strong reputation for delivering efficient and effective financial planning services, portfolio management, pension consulting and asset allocation services to our clients through our commitment to technology and service. We provide our services through individuals that are registered as our Investment Advisor Representatives.

Our asset allocation services provide you with strategies that we believe will effectively accommodate your stated investment parameters including your stated investment account objectives, investment experience, tolerance for risk and investment horizon. We require you to provide us with detailed information about your investment account objectives, investment experience, tolerance for risk and investment horizon on our Investor Profile form. Our staff reviews your information and processes it through a computer program. We use a computer program to analyze your existing portfolio in terms of its risk and efficiency of asset allocation.

When we have completed our initial analysis, we create a recommended asset allocation model that is efficient and is consistent with your requirements. We implement asset allocation strategies on behalf of our clients by using publicly registered mutual funds. Our staff identifies funds, that have a correlation to each targeted asset class, to satisfy the requirement of each asset class in the recommended portfolio. To avoid unnecessary transaction fees for our clients, we use a single family of publicly registered mutual funds for client portfolios whenever possible.

If your existing portfolio includes illiquid assets, such as direct participation programs, we may consider those assets relative to their respective asset class when we develop your individual portfolio recommendation.

We provide a variety of financial planning services to our clients. Our services are based upon an analysis of your needs based upon information provided by you. Generally, our financial planning services involve preparing a financial program for you based on your current financial circumstances and your personal financial objectives. Our analysis and recommendations typically include present and anticipated assets and liabilities including insurance, savings, investments and anticipated retirement or other employee benefits.

Our financial planning typically includes general recommendations regarding a course of action. We provide educational services to retirement plans and their participants. Our financial planning services often include ongoing financial counseling, account review, securities recommendations and other services related to investments.

We may recommend that you obtain insurance or that you revise existing insurance coverages. We may recommend that you establish a retirement account, increase or decrease funds held in savings accounts or that you sell or acquire securities.

In addition to providing advisory services, our Investment Advisor Representatives will likely also sell you securities products and other investment and insurance products in their capacity as Registered Representatives and as licensed insurance agents. Your Representative will receive compensation in connection to this activity and the amount of compensation will depend upon the type of product that you purchase. There is a greater financial incentive to recommend some products over others (for example, in the case of mutual funds those that have a higher 12b-1 fee than others). While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives that Representatives have to recommend certain securities products and you are encouraged to ask us about any potential conflict of interest.

On December 31, 2011, we managed \$7,639,425 on behalf of clients portfolios where we have discretionary authority. On that same date, we managed \$33,945,576 on behalf of clients portfolios in which we have no discretionary authority.

Fees and Compensation

We charge an annual percentage fee for our services according to the following schedule:

I. All client funds invested in one Mutual Fund Family

<u>Total value of account</u>	<u>Fee as a percent of assets</u>
Less than \$999,999	1.25%
\$1,000,000 to \$4,999,999	1.00%
\$5,000,000 to \$10,000,000	.75%
More than \$10,000,000	.50%

II. Clients using multiple fund families

<u>Total value of account</u>	<u>Fee as a percent of assets</u>
Less than \$999,999	1.55%
\$1,000,000 to \$4,999,999	1.25%
\$5,000,000 to \$10,000,000	1.00%
More than \$10,000,000	.75%

Our fees are calculated and deducted from your account on a quarterly basis. Your fees are based upon the fair market value of your account at the end of the effective quarter, are calculated at ¼ of the annual rate and at the beginning of the next period.

We aggregate the assets of clients who are participants in a pension plan or other recognized group with the assets of the entire group or plan for purposes of determining the applicable fee. You may cancel your agreement with us within five (5) days of the date of the agreement by giving us written notice of your desire to cancel the agreement. If you cancel the agreement within the five-day period, all fees collected will be promptly refunded.

Thereafter, either party may terminate this agreement upon thirty (30) days written notice to the other party. Your notice of termination must be delivered by certified or registered mail to the address set forth in the agreement. If you terminate the agreement and you have advanced any fees to us, we will promptly refund any amounts that are unearned on the date the agreement terminates.

Our fees are for our advisory services and do not adjust for transaction costs that you may incur to acquire or dispose of securities. We provide our services to you if you already own mutual fund shares in your preferred family of funds. If you have a substantial ownership of mutual fund shares in a preferred family of funds whose funds represent a broad spectrum of asset classes, our services may not require the purchase of additional mutual fund shares.

You may purchase mutual fund shares through an Investment Advisor Representative who is also a Registered Representative. If the Representative receives a commission on the transaction, there may be an incentive for the Representative to recommend a specific financial product and, thereby, create a conflict of interest for the Representative. We consistently monitor the activities of our Representatives for compliance with regulatory and ethical guidelines regarding potential conflicts of interest.

You are under no obligation to purchase products or services recommended by our Investment Advisor Representatives in connection with providing you with any fee-based advisory service that we offer.

Performance-Based Fees and Side-By-Side Management

We do not charge Performance-Based Fees

Types of Clients

We provide advisory services to individuals (other than high net-worth individuals), Pension and Profit Sharing Plans (other than plan participants) and to Governmental Money Purchase Pension Plans in Colorado. We have established an account minimum of \$25,000 for our asset allocation services. We have not established a minimum account size for financial planning or other services.

Methods of Analysis, Investment Strategies and Risk of Loss

Before we can develop specific recommendations for you, it is necessary to learn about you, your specific investment goals, your investment time horizon and your tolerance for risk. You will be asked to participate in the completion of an extensive initial interview that is designed to identify your specific financial situation and goals.

Upon completion of the initial interview, our staff reviews your information and processes it through a computer program that analyzes your existing portfolio in terms of its risk and efficiency of asset allocation.

If you are investing for a period of time that is less than five years, we view your portfolio as a “short-term” portfolio. Our specific recommendations will be consistent with short-term investment strategies. If you are investing for more than ten years, we will view your portfolio as a “long-term” portfolio and our recommendations will be consistent with long-term investment strategies.

When we have completed our analysis, we create a recommended asset allocation model that is both efficient and consistent with your individual investment requirements. Our staff identifies publicly registered mutual funds that strongly correlate to each targeted asset class to satisfy the requirement of each asset class in the recommended portfolio. We implement asset allocation strategies, in your portfolio, by using publicly registered mutual funds.

The financial markets are volatile and investing in mutual fund securities involves a risk of loss. The amount of investment risk in your portfolio depends on your specific investment requirements. The application of asset allocation strategies in a diversified portfolio of professionally managed mutual funds does not prevent principal loss. Each significant investment strategy or method of analysis includes the consideration of investment risk. If your primary strategy involves frequent trading of securities, it may affect the performance of your portfolio.

You will participate in a thorough personal review of your plan and our financial analysis before the implementation of any specific plan. When we recommend a particular type of security for inclusion in your portfolio, we will explain the material risks associated with that recommendation. If the recommendation includes significant or unusual risks, we will discuss those risks in detail.

We will provide you with an annual review and will meet with you more frequently if you request a meeting. Personal interviews, telephone calls and written correspondence are provided to you as required to maintain your individual requirements.

Disciplinary Information

There are no disciplinary events that are material to your evaluation of our advisory business or that require disclosure.

Other Financial Industry Activities and Affiliations

All representatives of our firm that provide advice to you (“Advisory Representatives”) are associated with Royal Alliance Associates, Inc. Royal Alliance is a diversified financial services company with the Financial Industry Regulatory Authority (“FINRA”) as a broker-dealer engaged in the offer and sale of securities products. Our advisory representatives may recommend the purchase of securities offered by Royal Alliance Associates. If you purchase these products through them, they will receive normal commissions which may be in addition to customary advisory fees. As such, Advisory Representatives may have an incentive to sell you commissionable products in addition to providing you with advisory services when such commissionable products may not be suitable. Alternatively, they may have an incentive to forego providing you with advisory services when appropriate, and instead recommend the purchase of commissionable investments, if they deem that the payout for recommending the purchase of these investments would be higher than providing management advice on these products for an advisory fee. Therefore, a conflict of interest may exist between their interests and your best interests.

While our security sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Please be aware that you are under no obligation to purchase products or services recommended by us or members of our Firm in connection with providing you with any advisory service that we offer.

Code of Ethics

We have adopted a Code of Ethics (the “Code”) to address securities-related conduct. The code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes our policies and procedures developed to protect your interests in relation to the following topics:

- The duty at all times to place your interests first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility;

- The fiduciary principle that information concerning the identity of your security holdings and financial circumstances are confidential; and
- The principle that independence in the Investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We may recommend securities to you or buy or sell securities for your account at or about the same time we may buy or sell the same securities in our own account. As such, there may be instances where our interests may appear to be placed ahead of yours. To mitigate this conflict, our firm policy prohibits us from receiving a better price on our order, if you want us to invest in the same security on the same side of the market on the same day.

Brokerage Practices

As described in *Other Financial Industry Activities and Affiliations* (page 8), our Advisory Representatives are also Registered Representatives of Royal Alliance Associates, Inc., a FINRA registered broker-dealer. In order to meet its FINRA supervisory obligations, Royal Alliance requires that all investment advisory activities that we conduct to be processed through Royal Alliance's clearing relationships with Pershing LLC ("Pershing"). As a result, we do not have the discretion to choose the broker-dealer or commission rates to be paid. However, we do believe that Pershing's blend of execution services, commission and transaction costs as well as professionalism will allow us to seek best execution and competitive prices.

To avoid unnecessary transaction fees for our clients, we use a single family of publicly registered mutual funds for client portfolios whenever possible. The aggregation and allocation practices of the mutual funds that we recommend to you are disclosed in the respective mutual fund prospectuses that will be provided to you.

Review of Accounts

We provide printed quarterly reports detailing the progress of your account. Our quarterly reports include a summary of the holdings in your account, the percentage of your portfolio that each holding represents, their associated asset class and the year-to-date return percentage for your portfolio.

Our staff analyzes your portfolio, in the context of your current financial goals, at least once each year. We recognize that your individual circumstances may change with changes in employment, health, marital status and other factors. We encourage you to alert us about any material changes that may affect your specific investment requirements. Your Investment Advisor will meet with you and review your specific requirements any time that you request a meeting.

Client Referrals and Other Compensation

We have no relationships established with any person or other entity that provides an economic benefit for providing investment advice or other advisory services to our clients.

We do not directly or indirectly compensate any person or entity, that is not a supervised person, for client referrals. Our Investment Advisors do not directly or indirectly compensate any person or entity that is not directly supervised for client referrals.

As previously discussed, all our Advisory Representatives are Registered Representatives of Royal Alliance Associates, Inc. This arrangement requires us to offer you advisory services and programs sponsored or approved by Royal Alliance. Royal Alliance may charge us certain usage fees and expenses that may decrease the amount of money that we make when offering investment advice to you.

While our securities sales are reviewed for suitability by an appointed supervisor, you should be aware of the incentives we have to sell certain securities products and are encouraged to ask us about any conflict presented.

Custody

Not applicable, we do not maintain custody of your assets. We use publicly registered mutual funds for client portfolios. You will receive periodic statements directly from the mutual fund companies whose shares are included in your portfolio. We urge you to compare the account statements provided by your mutual fund companies to the statements that we provide.

Investment Discretion

We may manage your accounts on a discretionary basis upon obtaining your consent. Your consent is typically granted and evidenced in the client agreement that you sign with us. We define discretion as: the ability to trade your account, without obtaining your prior consent, the securities and amount of securities to be bought or sold, and the timing of the purchase or sale. It does not extend to the withdrawal or transfer of your account funds.

Voting Client Securities

We do not have the authority to vote proxies solicited by, or with respect to the issuers of securities held in your account. Typically, proxy materials will be forwarded to you by your custodian. We will forward proxy materials that we may receive to you. Please contact us at any time with questions you may have regarding proxy solicitations.

Financial Information

In certain circumstances, we may use investment discretion in your account, subject to your approval. We conduct our business in full compliance with applicable regulations and do not foresee any financial conditions that may impair our fulfillment of reasonable obligations or contractual commitments to you.

Requirements for State Registered Advisors

Our principal Executive Officers and Representatives are:

Stephen R. Dierks, MBA, President of Nexus Financial Programs, Inc., is a Registered General Securities Principal and a Registered Municipal Securities Principal. He has maintained securities registration since 1981 and affiliated with Nexus Financial Programs, Inc. in 1986. Since that time, Mr. Dierks has worked closely with more than forty (40) Colorado Police, Fire or Municipal Money Purchase Pension plans. He has a thorough understanding of Money Purchase Pension Plans, the importance they have to their participants and the effects of appropriate investment strategies.

Mr. Dierks earned a Bachelor of Science Degree from Colorado State University and his Masters Degree from Ashford University. Before entering the financial services industry, Mr. Dierks was a High School Mathematics and Biology Teacher and an Operating Room Technician. He worked in the Medical/Surgical industry and held the position of Regional Sales Director for United States Surgical Corporation and Division Manager for Bergen/Brunswig Corporation. He was raised in Colorado and has been a resident of Colorado Springs since 1979.

Robert A. Forbes, MS, Secretary of Nexus Financial Programs, Inc., is a Registered General Securities Principal. He has been securities registered since 1981 and has been affiliated with Nexus Financial Programs, Inc. since 1985 as one of the firm's founders. Since 1982, Mr. Forbes has worked closely with more than forty (40) Colorado Police, Fire or Municipal Money Purchase Pension plans and helped many of these plans to exit from the Fire and Police Pension Association Defined Benefit Plan in the late 1980s. He has a thorough understanding of Colorado Municipal, Fire and Police Department Money Purchase Pension Plans, the importance they have to their participants and the effects of appropriate investment strategies.

Mr. Forbes earned a Bachelor of Science degree from Wayne State University in 1967. He earned his Master of Science Degree, in Education, from the University of Colorado in 1972 and has completed work toward his Doctorate. Before he entered the Financial Services Industry, Mr. Forbes was a Middle School and High School Science Teacher in Colorado Springs.

Craig H. Forbes, Treasurer of Nexus Financial Programs, Inc. is an experienced Registered Representative with 21 years of experience in the Banking and Credit Union

Industry. He has maintained his securities registration for the past eleven years. He has a thorough understanding of the personal financial services including Retirement Income Planning, Principal Preservation Strategies, Long-Term and Short-Term Goal Planning and other Financial Planning Services before joining NFP, Inc.,

Craig was a Vice President Branch Manager for JPMorgan Chase. He managed the second largest facility in the Colorado Springs area with more than 100 million dollars in assets. Craig has completed an extensive array of financial services training programs. He is the recipient of many Annual Banking Awards.