

Pines Wealth Management, LLC

**11475 Olde Cabin Road, Suite 220
St. Louis, MO 63141**

**Telephone: 314-576-6767
Fax: 314-432-3667**

www.pineswealth.com

1/17/2012

FORM ADV PART 2 BROCHURE

This brochure provides information about the qualifications and business practices of Pines Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at 314-576-6767. 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 Pines Wealth Management, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Pines Wealth Management, LLC is 130487.

Pines Wealth Management, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2. Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Generally, PINES WEALTH MANAGEMENT, LLC will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

Item 3. Table of Contents

Table of Contents

Item 4 Advisory Business	Page 1
Item 5 Fees and Compensation	Page 7
Item 6 Performance-Based Fees and Side-By-Side Management	Page 8
Item 7 Types of Clients	Page 8
Item 8 Methods of Analysis, Investment Strategies and Risk of Loss	Page 9
Item 9 Disciplinary Information	Page 10
Item 10 Other Financial Industry Activities and Affiliations	Page 10
Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Page 10
Item 12 Brokerage Practices	Page 11
Item 13 Review of Accounts	Page 12
Item 14 Client Referrals and Other Compensation	Page 13
Item 15 Custody	Page 13
Item 16 Investment Discretion	Page 14
Item 17 Voting Client Securities	Page 14
Item 18 Financial Information	Page 14
Item 19 Requirements for State Registered Investment Advisers	Page 14
Item 20 Additional Information	Page 14

Item 4 Advisory Business

Pines Wealth Management, LLC is a registered investment adviser based in St. Louis, Missouri. Our firm is organized as a limited liability company under the laws of the State of Missouri. We have been providing investment advisory services since 2008. Clifford E. Van Ittersum and Lon W. Broske are our principal owners.

Our advisory services include: financial planning, consulting, customized portfolio management services, model portfolio management, and advisory referral services, which may be offered to clients on an all-inclusive or individual basis. The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

Financial Planning Services

We offer broad-based and structured financial planning services. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the client, and a written report is prepared and delivered to you. The written plan is designed to help you achieve your stated financial goals and objectives.

In general, your financial plan will address any or all of the following areas of concern:

- **Personal:** Family records, budgeting, personal liability, estate information and financial goals.
- **Education:** Education IRAs, financial aid, state savings plans grants and general assistance in preparing to meet dependents continuing educational needs through development of an education plan.
- **Tax & Cash Flow:** Income tax and spending analysis and planning for past, current and future years. We will illustrate the impact of various investments on a client's current income tax and future tax liability.
- **Death & Disability:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.
- **Retirement:** Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- **Investments:** Analysis of investment alternatives and their effect on a client's portfolio.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm. Should you choose to implement the recommendations contained in the plan, we strongly encourage you to work closely with your attorney, accountant, insurance, and/or stockbroker. Implementation of the financial plan recommendations is entirely at your discretion.

Associated persons of our firm are registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance"), a FINRA member broker dealer. Recommendations we make as part of your financial plan include those products offered by Royal Alliance. If a product is not offered through Royal Alliance, we will recommend other companies that offer the specific product.

We offer financial planning services on either a fixed fee or hourly fee basis, as follows:

- Fixed fees generally range between \$750 and \$1,250.

- Hourly fees generally range between \$75 and \$150 per hour.

The type and amount of the fees charged will be negotiated on a case-by-case basis, and are based on the complexity of each individual client's financial situation and the scope of services to be provided. An estimate of the total cost will be determined at the start of the advisory relationship. All fees are agreed upon prior to entering into a contract for services. In limited circumstances, the cost/time could potentially exceed the initial estimate. In such cases, we will notify you in advance and may request that you pay an additional fee.

We may request a retainer upon completion of the information gathering session; however, advance payment will never exceed \$500 for work that will not be completed within six months. The remaining balance will be due and payable upon completion of the contracted services. The length of time it will take our firm to complete and deliver a financial plan to you will depend on your personal situation.

If you execute recommended securities transactions through our Associated Persons in their separate capacities as registered representatives of Royal Alliance, these individuals will earn commissions which are separate and distinct from the fees we receive for providing advisory services. In some instances, depending on the size of the transaction, we will discount our advisory fee, at our sole discretion, for commissions earned. However, we will never credit commissions towards future advisory fees.

Our advisory fees will always be offset for commissions earned on securities transactions executed in pension, profit-sharing, 401k, IRA or other client accounts where to do otherwise would constitute a prohibited transaction under the provisions of ERISA or the Internal Revenue Code.

You may terminate the financial planning agreement by providing written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Advisory Consulting Services

We also offer consulting services that involve advising clients on a more limited basis, and are focused on specific financial-related topics. In providing this service we may provide advice on an isolated area(s) of concern such as estate planning, retirement planning, reviewing your existing portfolio, or any other specific topic. We also provide specific consultation and administrative services regarding investment and financial concerns. Additionally, we provide advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance and/or annuity advice.

We charge an hourly fee for advisory consulting services that ranges between \$75 and \$250 per hour. The hourly rate and length of time it will take to complete the consulting services will be based on the nature and complexity of your personal circumstances.

An estimate of the time required to complete the consulting services will be determined at the start of the advisory relationship. Our consulting fee is payable upon completion of the agreed upon consulting services. We may request a retainer upon completion of the information gathering session; however, advance payment will never exceed \$500 for work that will not be completed within six months. The remaining balance will be due and payable upon completion of the contracted services.

If you execute recommended securities transactions through our Associated Persons in their separate capacities as registered representatives of Royal Alliance, these individuals will earn commissions which are separate and distinct from the fees we receive for providing advisory services. In some instances, depending on the size of the transaction, we will discount our advisory fee, at our sole discretion, for commissions earned. However, we will never credit commissions towards future advisory fees.

Our advisory fees will always be offset for commissions earned on securities transactions executed in pension, profit-sharing, 401k, IRA or other client accounts where to do otherwise would constitute a prohibited transaction under the provisions of ERISA or the Internal Revenue Code.

Customized Portfolio Management Services

We offer discretionary and non-discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. Account supervision is guided by your stated investment objectives, for example, maximum capital appreciation, growth, income, or growth and income. Once we construct an investment portfolio for you, we will monitor your portfolio's performance

on an ongoing basis, and we will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without obtaining your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a power of attorney, or trading authorization forms. If you enter into non-discretionary arrangements with our firm, we must obtain your approval prior to executing any transactions on behalf of your account.

VISION2020 Advisor Program: We provide this customized portfolio management service through Royal Alliance's VISION2020 Advisor Program. Through personal discussions with you and based on your responses to a risk tolerance questionnaire, you will inform us of your investment objectives, risk tolerance, investment time horizon, account restrictions and overall financial situation. After processing the questionnaire responses, we will generate a presentation of individual management strategies for your consideration. We will provide you with an asset allocation proposal based upon, and objectively correlated to, your questionnaire responses, to assist you in making informed asset allocation decisions. In determining whether to adopt, modify or reject a proposed asset allocation, you should consider all of your assets, income and investments. Using an asset allocation engine generated by modern portfolio theory, we will attempt to match market risk and investment return based upon your individual risk tolerance. VISION2020 Advisor will provide our firm with automatic notification of asset allocations which have deviated -- as a result of market performance -- from prior asset allocation. Using this tool, we will be able to adjust your asset allocation to maintain the prior agreed upon asset allocation.

We will work with you to identify your investment goals and objectives as well as risk tolerance in order to create an initial portfolio allocation designed to complement your educational, home ownership and retirement funding goals and objectives. We will create a portfolio, consisting of individual stocks or bonds; no-load funds, (funds with no front-end or deferred sales charges and whose total charges against net assets for sales related expenses and or services do not exceed.25%); load-waived funds (front-end commissions will not be charged); and, front-load fee offset (advisory fees will be offset against commissions earned) mutual funds purchased prior to engaging our services. We may also include covered call options and/or the sale of cash-secured put options on stocks within the portfolio. Investment strategy will focus primarily on a long-term buy and hold approach as opposed to short-term trading. You will retain individual ownership of all securities.

When appropriate to your needs, we may also recommend the use of margin transactions. Because this investment strategy involves a certain additional degree of risk, it will only be recommended when consistent with your stated tolerance for risk.

Mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure.

We will contact you at least annually to determine whether there have been any changes in your financial situation or investment objectives, and/or whether you wish to impose reasonable restrictions on the management of the account or modify any existing restrictions. Additionally, you will be notified each quarter that you should contact our firm if there have been any changes in your financial situation.

We will provide all VISION2020 Advisor Program participants and prospective participants a disclosure document prepared by Royal Alliance regarding the VISION2020 Advisor Program. Said participants and prospective participants should review this disclosure document for more information regarding the services and investments provided in this program.

The VISION2020 Advisor Program is offered as a "wrap account" which bundles advisory, administrative, and transaction charges into one asset-based fee or as an account with separate advisory fees and transaction charges in a non-wrap account." The annual fee for both wrap and non-wrap accounts are based on a percentage of assets under management for portfolio management services according to the following fee schedule:

Assets Under Management	Annual Fee Range(%)
-------------------------	---------------------

\$0.00 - \$99,999	0.250% - 2.500%
\$100,000 - \$249,999	0.200% - 2.300%
\$250,000 - \$499,999	0.175% - 2.050%
\$500,000 - \$749,999	0.150% - 1.800%
\$750,000 - \$1,249,999	0.125% - 1.550%
\$1,250,000 - \$1,999,999	0.100% - 1.300%
\$2,000,000 - \$4,999,999	0.075% - 1.050%
\$5,000,000 - \$24,999,999	0.050% - 1.050%
Over \$25,000,000	0.025% - 0.800%

A minimum of \$50,000 of assets under management is required for this service. This account size minimum and annualized fee may be negotiable under certain circumstances. PWM may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Client facts, circumstances and needs determine the advisory fee. These include the complexity of the client's account, assets to be placed under management, portfolio style, reports and other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

Clients will be invoiced or their account directly debited, as authorized, in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter.

MODEL PORTFOLIO MANAGEMENT:

We also provide portfolio management services to clients using model asset allocation portfolios. This service is offered through Royal Alliance's Vision2020 Advisor ModelFolios Program ("ModelFolios Program"). Each model portfolio is designed to meet a particular investment goal. We will manage these advisory accounts on a discretionary basis only.

Through personal discussions with you client and responses to a risk tolerance questionnaire, you will inform our firm of your investment objectives, risk tolerance, investment time horizon, account restrictions and overall financial situation. A questionnaire must be completed by each client participating in the ModelFolios Program. After processing the questionnaire responses, we will generate a presentation of individual management strategies for your consideration. We will provide you with an asset allocation proposal based upon, and objectively correlated to, your questionnaire responses, to assist you in making informed asset allocation decisions. In determining whether to adopt, modify or reject a proposed asset allocation, you should consider all of your assets, income and investments. Once the appropriate portfolio has been determined, the portfolio will be managed based on the portfolio's goal, rather than on each client's individual needs. You, nevertheless, will have the opportunity to place reasonable restrictions on the types of investments to be held in your account and account supervision will be guided by your stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income). You will retain individual ownership of all securities.

Based upon your risk tolerance, the ModelFolios Program utilizes a system that selects a specific allocation of funds within a portfolio of mutual funds and executes the strategy by investment in the specific funds identified and provides continuous monitoring and review of the accounts. Through our representatives and agents, we will review your accounts and will engage in automatic rebalancing transactions whenever deemed suitable for the account in accordance with your investment objectives. If we believe that a particular investment is performing inadequately, or if we believe that a different investment is more suitable for the portfolio's goal, then we will reinvest your assets accordingly pursuant to the discretionary authority granted.

Mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. The mutual funds available for use within this program consist primarily of either AIG Sun America Funds or certain selected Russell Investment Company Funds. The AIG Sun America Funds are managed by AIG Sun America Asset Management Company. AIG Sun America is an affiliate of Royal Alliance. The Russell Investment Company Funds are managed by Russell Investment Management Company and other managers as disclosed by the respective prospectus for each of the Russell Funds.

In order to ensure that our initial determination of an appropriate portfolio continues to be suitable and that your account continues to be managed in a manner suitable to your financial circumstances, we will maintain your suitability information in your file. We will contact you at least annually to determine whether there have been any changes in your financial situation and whether you wish to impose investment restrictions or modify existing restrictions. Additionally, you will be notified each quarter that we should be contacted if there have been any changes in your financial situation.

We will provide all ModelFolios Program participants and prospective participants a disclosure document prepared by Royal Alliance regarding the ModelFolios Program. Said participants and prospective participants should review this disclosure document for more information regarding the services and investments provided in this program.

The ModelFolios Program is offered as a wrap account which bundles advisory and administrative fees, as well as transaction charges into one asset-based fee. Clients selecting the ModelFolios Program are charged annual fees based upon the amount under management. Fees are negotiable and range from a maximum annual fee of 3.00% of the assets under management that may be collected by Royal Alliance and all its affiliates to a low of 0.80% which is the fee charged to clients with \$25,000,000 or more under management. Fee schedules are provided to each client as exhibits to each ModelFolios agreement.

Your individual facts, circumstances and needs determine the advisory fee. These include the complexity of your account, assets to be placed under management, portfolio style, reports and other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client. You will typically be invoiced or your account directly debited, as authorized, in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of your account at the end of the previous quarter. The complete schedule of ModelFolios Program fees is set forth in the ModelFolios Program brochure created by Royal Alliance and provided by our firm to you prior to or concurrent with your engagement in the program.

RASA Account: We also provide customized portfolio management services through the RASA Account offered through Royal Alliance and its clearing broker dealer Pershing LLC, both FINRA member broker dealers. We provide continuous advice to a RASA Account client regarding investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on your particular circumstances are established, we develop your personal investment policy and create and manage a portfolio based on that policy. We will manage RASA Accounts on a discretionary or non-discretionary basis. Account supervision is guided by your stated objectives (e.g., maximum capital appreciation, growth, income, or growth and income).

We will create a RASA Account portfolio consisting of one or all of the following: individual equities, bonds, other investment products, and no-load or load-waived mutual funds. We will allocate your assets among various investments taking into consideration the overall management style you select. The mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by your individual needs and circumstances. You will have the opportunity to place reasonable restrictions on the types of investments which will be made on your behalf. You will retain individual ownership of all securities.

When appropriate to your needs, we may recommend the use of margin transactions or option writing to RASA Account clients. Because these investment strategies involve certain additional degrees of risk, they will only be recommended when consistent with your stated tolerance for risk.

RASA Account: The annual fee for portfolio management services will be charged as a percentage of assets under management, according to the following schedule:

Assets Under Management	Annual Fee (%)
\$ 0 - \$ 249,999	2.00%
Next \$ 250,000- \$499,999	1.90%
Next \$ 500,00 - \$999,999	1.75%
Next \$ 1,000,000 - 1,999,999	1.50%
Next \$ 2,000,000 +	1.25%

A minimum of \$100,000 of assets under management is required for this service. This minimum account

size and annual fee may be negotiable under certain circumstances. PWM may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Clients will be invoiced or their account directly debited, as authorized, in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter.

ADVISORY REFERRAL SERVICES:

We may also act as a solicitor on behalf of other independent registered investment advisers ("IRIAs"). Based on your individual circumstances and needs, we will assist you in determining which IRIA's portfolio management services are appropriate for you. Factors considered in making this determination include account size, risk tolerance, and a client's investment experience, the opinion of each client and the investment philosophy of the IRIA. You should refer to the selected IRIA's disclosure document for a full description of the services offered by the IRIA. We will meet with you on a periodic basis, or as determined by the client agreement, to review your account and the selected IRIA's performance.

Following the initial referral, you and the selected IRIA will determine whether or not its advisory services are appropriate to your needs. If you engage IRIA to provide advisory services, then IRIA, not our firm, will act as the investment adviser to your IRIA account(s). At the time of the referral to IRIA, we will ensure that all federal and/or state specific requirements governing solicitation activities of investment advisers shall be met.

We do not enter into an advisory agreement with any client nor do we charge a fee to any client for referrals to an independent registered investment adviser ("IRIA"). Fees for such referrals are paid by the IRIA as a percentage of the fees IRIA receives from you. Your advisory fees are not increased in any way as a result of our referral of your account to IRIA. We will typically receive a portion (up to 50%) of the advisory management fee you pay to IRIA.

You should refer to the IRIA's disclosure document (Part 2 of Form ADV or other disclosure document in lieu of Part 2) for information regarding its fees, billing practices, minimum required investments and termination of advisory agreements. You will receive a separate disclosure document describing the fee paid to our firm by the IRIA.

Types of Investments

We primarily recommend equity securities, mutual funds, and exchange traded funds. However we will recommend all types of securities since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from

mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same dividend.

Assets Under Management

As of September 30, 2011, we manage \$10,319,838 in client assets on a discretionary basis, and \$34,090,263 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

Please refer to the "Advisory Business" section in this Brochure for information on our advisory fees, fee paying arrangements, and refund policy according to each service we offer.

As previously disclosed, clients participating in the VISION2020 Advisor and ModelFolios programs may pay an all inclusive wrap fee which includes charges for advisory services, custody, clearing, transaction execution and account reporting. Clients participating in these programs also agree to direct brokerage in their VISION2020 Advisor and ModelFolios program accounts through Royal Alliance Associates, Inc. ("Royal Alliance"), a FINRA member broker dealer. Therefore, in evaluating such an arrangement, a client should recognize that brokerage commissions for the execution of transactions in the client's account are not negotiated by PWM, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other PWM clients. The client should also consider that, depending upon the level of the wrap fee charged by the broker dealer, the amount of portfolio activity in the client's account, the value of custodial and other services which are provided under the arrangement, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and if PWM were free to negotiate commissions and seek best price and execution of transactions for the client's account.

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Disclosure Brochure.

Compensation for the Sale of Securities or Other Investment Products

Principals and other Associated Persons that provide investment advice on behalf of our firm are also registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a registered full services general securities broker-dealer with the Securities and Exchange Commission, a registered investment adviser, a member of the Financial Industry Regulatory Authority, and the Securities Investor Protection Corporation. Royal Alliance is a diversified financial services company engaged in the sale of specialized investment products. Our advisory representatives may recommend securities or insurance products offered by Royal Alliance to you as part of your investment portfolio. If you purchase these recommended products through an Associated Person of our firm, those individuals will receive the normal commissions associated with these products in their separate capacity as a registered representative of Royal Alliance. All such compensation is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice

on behalf of our firm who are registered representatives have an incentive to effect securities and/or insurance transactions for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm unless done in conjunction with an investment management program as disclosed above under the "Advisory Business" section.

As Registered Representatives of Royal Alliance, our Associated Persons on behalf of our firm may recommend the purchase or sale of investment products in which the Associated Person and Royal Alliance or a related entity may have some financial interest, including the receipt of commission based compensation. Certain mutual funds (and/or their related persons) in which you may invest make 12b-1 fee payments to broker dealers. These payments may be distributed pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for distribution or administrative services and may be paid out of the fund's assets. Royal Alliance and/or our Associated Persons may receive such 12b-1 fees or other compensation to the extent permitted by applicable law.

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

We may recommend that you purchase variable annuities to be included in your investment portfolio(s). Persons providing investment advice on behalf of our firm may earn commissions on the sale of the variable annuities in his or her capacity as a registered representative of Royal Alliance. We routinely offset management fees earned on advisory accounts if we have earned a commission within the past 24-months on any product held in your account. You are under no obligation, contractually or otherwise, to purchase variable annuities through any person affiliated with our firm. Please refer to the *Other Financial Industry Activities and Affiliations* section below for additional disclosures on this topic.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

Item 6 Performance-Based Fees and Side-By-Side Management

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 Types of Clients

We offer personalized investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. Individuals associated with our firm will provide investment advisory services on our behalf. These individuals are appropriately licensed, qualified, and authorized to provide advisory services, and are known as Investment Adviser Representatives.

In general, we require a minimum of \$50,000 to open and maintain a VISION2020 Advisor and ModelFolios Program account. We require a minimum account size of \$100,000 for RASA accounts. At our discretion, we may waive these minimum account size requirements. For example, we may waive the minimum for a smaller account that is tied to a larger client relationship, or if you appear to have significant potential for increasing your assets under our management. We may also combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

If you are participating in our advisory referral service, you should refer to the independent investment adviser's disclosure document for information on minimum account size requirements or any other conditions for managing an account.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Our investment strategy is firmly rooted in the belief that markets are efficient and that investors' returns are determined principally by asset allocation and diversification among asset classes, not market timing or stock picking. We provide clients access to diversified portfolios, which make use of managed asset class specific mutual funds that are otherwise available only to institutional investors through a network of selected investment advisors. We may use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

- **Fundamental Analysis** - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- **Technical Analysis** - involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- **Long Term Purchases** - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- **Short Term Purchases** - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.
- **Margin Transactions** - a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- **Option Writing** - a securities transaction that involves selling an option. An option is the right, but not the obligation, to buy or sell a particular security at a specified price before the expiration date of the option. When an investor sells an option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. The seller pays the buyer a premium (the market price of the option at a particular time) in exchange for writing the option.
- **Modern Portfolio Theory (MPT)** is a theory of investing which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully choosing the proportions of various assets. MPT is a mathematical formulation of the concept of diversification in investing, with the aim of selecting a collection of investment assets that has collectively lower risk than any individual asset. The risk, return, and correlation measures used by MPT are mathematical statements about the future. In practice investors must substitute predictions based on historical measurements of asset return and volatility for these values in the equations. Very often such expected values fail to take account of new circumstances which did not exist when the historical data were generated.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other various suitability factors.

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you continuously consult with a tax professional prior to and throughout the investing of your assets.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance. Please refer to the *Types of Investments* section above for additional disclosures on this topic.

Item 9 Disciplinary Information

Neither our firm nor any of our owners or control persons has any reportable disciplinary history.

Item 10 Other Financial Industry Activities and Affiliations

Certain Associated Persons providing investment advice on behalf of our firm are separately licensed as investment adviser representatives of Royal Alliance Associates, Inc. ("Royal Alliance"), as SEC registered investment, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. These officers and Associated Persons, in their separate capacities as IARs of Royal Alliance, provide advisory services, the details of which are fully described in Royal Alliance's Form ADV disclosure document. These officers and Associated Persons may recommend this service to our clients for whom the service is appropriate and, also where appropriate, may also recommend our firm to Royal Alliance clients. The advisory services provided by Royal Alliance are separate and distinct from the advisory services provided by our firm. The fees for advisory services provided through Royal Alliance are separate from and in addition to the fees you pay to our firm for advisory services. You are under no obligation to use Royal Alliance for any advisory services, and conversely, no Royal Alliance client is obligated to use our firm for advisory services.

Principal executive officers and other Associated Persons providing investment advice on behalf of our firm are also separately licensed as registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance"), an SEC registered investment adviser and FINRA member broker dealer. Associated persons of our firm may also be insurance agents or brokers for one or more insurance companies. As such, these individuals, in their separate capacities as registered representatives and/or insurance agents or brokers, will be able to effect securities transactions and/or purchase insurance and insurance-related investment products (insurance) for your account, for which they will receive separate and customary compensation. You, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at your discretion.

While these individuals endeavor at all times to put the interest of the clients first as part of our firm's fiduciary duty, you should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

Recommendation of Other Advisers

We may recommend that you use a third party adviser ("TPA") based on your needs and suitability. We will receive compensation from the TPA for recommending that you use their services. These compensation arrangements present a conflict of interest because we have a financial incentive to recommend the services of the third party adviser. You are not obligated, contractually or otherwise, to use the services of any TPA we recommend.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Description of Our Code of Ethics

We have adopted a Code of Ethics expressing our firm's commitment to ethical conduct. Our Code of Ethics requires high standards of business conduct and compliance with applicable federal and state securities laws. Our Code of Ethics stresses that no Associated Person shall prefer his/her own interests to those of advisory clients, and it prohibits the use of material non-public information. To supervise compliance with our Code of Ethics, we require that anyone associated with our advisory practice with access to advisory recommendations, client holdings or other specified information to provide annual securities holdings reports and quarterly transaction reports of all reportable transactions to our Chief Compliance Officer. 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 of Ethics also provides for sanctions when appropriate.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting Clifford E. Van Ittersum at 314-576-6767.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, where we trade on the same trading day, it is our policy that we will only execute transactions for personal accounts in the same direction as, and after the trade is complete in, your customer account. This policy is designed to prevent Associated Persons from benefiting from transactions placed on behalf of advisory accounts. Please refer to the "Brokerage Practices" section in this Brochure for information on our block trading practices.

Item 12 Brokerage Practices

Financial Planning and Consulting

Associated Persons of our firm are separately registered as securities representatives of Royal Alliance Associates, Inc. ("Royal Alliance"), a FINRA member broker-dealer. In general, we will recommend the use of Royal Alliance and these individuals to clients for implementation of financial planning and consulting recommendations, provided that this recommendation is consistent with our fiduciary duty to you. Any commissions or other compensation received from the implementation of financial planning recommendations is separate and distinct from our advisory fee. It may be the case that Royal Alliance charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through Royal Alliance, these individuals (in their separate capacities as registered representatives of Royal Alliance) may earn commission-based compensation as a result of placing the recommended securities transactions through Royal Alliance. This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use Royal Alliance, we may not be able to accept your account. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

Clients should be aware that best execution and lower commissions may not necessarily be achieved if recommended transactions are placed through these individuals, in their separate capacities as registered representatives or insurance agents/brokers.

Customized and Model Portfolio Management

Under these programs, we do not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid; therefore, you must direct our firm as to the broker dealer to be used. We request that you direct us to place trades through Royal Alliance Associates, Inc. ("Royal Alliance"), a FINRA member broker-dealer. The principal executive officers and other associated persons of our firm are separately registered as representatives of Royal Alliance. Royal Alliance is required to supervise the securities trading activities of its representatives. You may request that brokerage transactions be directed to a particular broker or dealer. However, if Royal Alliance believes that the use of that broker dealer would hinder it in meeting its supervisory obligations we will not be able to accept the account.

Further, by recommending the VISION2020 Advisor and ModelFolios Programs or the RASA Account to our clients, we are also recommending the services of Royal Alliance. If you decide to participate in these programs you are also choosing the brokerage services of Royal Alliance.

In directing the use of Royal Alliance it should be understood that we will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to you and those charged to other clients (who may direct the use of another broker dealer). You should note, while we have a reasonable belief that Royal Alliance is able to obtain best execution and competitive prices, we will not be independently seeking best execution price capability through other broker dealers. Not all advisers require clients to direct the firm to use a particular broker dealer.

When referring clients to broker dealers, we will only refer clients to broker dealers registered in states where the clients reside.

Advisory Referral Service

You should refer to the disclosure document(s) of recommended advisers for information on the brokerage recommendations and practices of those entities. We will not recommend broker dealers for money manager search and monitoring client accounts.

Block Trades

Transactions for each client generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

We combine multiple orders for shares of the same securities purchased for discretionary accounts; however, we do not combine orders for non-discretionary accounts. Accordingly, non-discretionary accounts may pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we may not be able to buy and sell the same quantities of securities for you and you may pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Item 13 Review of Accounts

Financial Planning and Consulting

- **Reviews:** These client accounts will be reviewed as contracted for at the inception of the advisory relationship.
- **Reports:** Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for. Consulting Services clients will receive reports as contracted for at the inception of the advisory relationship.

Customized and Model Portfolio Management Services

- **Reviews:** While the underlying securities within Portfolio Management Services accounts are continuously monitored, these accounts are reviewed at least quarterly by an investment adviser representative of our firm. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.
- **Reports:** VISION2020 Advisory Program participant clients will receive quarterly statements summarizing account performance, balances and holdings and confirmations of all transactions from Royal Alliance.

In addition to the statements and confirmations of transactions that RASA Account clients receive from their broker dealer, we will provide you with quarterly reports summarizing account performance, balances and holdings. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement or if you do not receive a statement from your custodian, please contact Clifford E. Van Ittersum, Chief Compliance Officer at 314-576-6767.

ModelFolios Program participants do not receive separate trade confirmations for each transaction in their account. All information regarding transactions within the account are provided to you by account statements provided on at least a quarterly basis and monthly to the extent there is activity in the account. The ModelFolios Program account statement provides information regarding each transaction within the account and indicates, among other things, the valuation of the account assets.

You should refer to the VISION2020 and ModelFolios Program (Part 2 of Form ADV or other disclosure document in lieu of Part 2) for additional information regarding the account reviews and reports provided in those programs.

Advisory Referral Service

- **Reviews:** These client accounts should refer to the independent registered investment adviser's disclosure document for information regarding the nature and frequency of reviews provided by that independent registered investment adviser. We will provide reviews as contracted for at the inception of the advisory relationship.
- **Reports:** These client accounts should refer to the independent registered investment adviser's disclosure document for information regarding the nature and frequency of reports provided by that independent registered investment adviser.

We will provide these client accounts with reports as contracted for at the inception of the advisory relationship. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement or if you do not receive a statement from your custodian, please contact Clifford E. Van Ittersum, Chief Compliance Officer at 314-576-6767.

Item 14 Client Referrals and Other Compensation

As disclosed under the "Fees and Compensation" section in this Brochure, persons providing investment advice on behalf of our firm are licensed insurance agents, and are registered representatives with Royal Alliance, a securities broker-dealer, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. Through this relationship, our firm or an Associated Person could be eligible to receive incentive awards from Royal Alliance. Also, certain Associate Persons may receive 12b-1 fees from mutual funds that pay incentive awards. Not all funds that we recommend pay 12b-1 fees. We do not distinguish between funds that do and do not pay 12b-1 fees in our investment recommendations. Insurance companies may pay renewal or trail commissions on products recommended by our firm. We do not distinguish between insurance products that do or do not pay trail commissions in our recommendations. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section above.

Additionally, if you elect to purchase insurance products through an Associated Person of our firm that is also holds an insurance license, our firm and/or our Associated Person will receive customary commissions based compensation. The receipt of additional compensation may affect our judgment in recommending products and services.

As disclosed in the *Advisory Business* section of this disclosure brochure, we may act as a solicitor for various registered investment advisers, and for doing so will receive an ongoing solicitation fee (typically receiving up to 50% of the fee charged by the independent investment adviser, depending on the size of the account). We are aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940. As such, appropriate disclosure shall be made and all applicable Federal and State laws will be observed. The fee paid to our firm will be specified in a separate disclosure document provided to the client.

Item 15 Custody

We directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

If you have a question regarding your account statement or if you did not receive a statement from your

custodian, please contact Clifford E. Van Ittersum, Chief Compliance Officer at 314-576-6767.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement, a power of attorney, and/or trading authorization forms.

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s).

Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

Item 18 Financial Information

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Item 19 Requirements for State Registered Investment Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Item 20 Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will never sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact Clifford E. Van Ittersum, Chief Compliance Officer at 314-576-6767, if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, the trade error will be corrected in the trade error account of the executing broker-dealer and you will not keep the profit.