

# **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](http://www.pineswealth.com)**

**April 12, 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](http://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.

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## 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.

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.

### **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 and/or by the 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 Wealth Management Platform - Advisor Managed Portfolios Program:** The Wealth Management Platform - Advisor Managed Portfolios Program ("Advisor Managed Portfolios") provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing, LLC ("Pershing").

Advisor Managed Portfolios provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on your responses to a risk tolerance questionnaire ("Questionnaire") and discussions that we have together regarding, among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities, variable life, variable annuity sub-accounts (certain restrictions may apply) and other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

For further Advisor Managed Portfolios details, please see the Advisor Managed Portfolios Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in Advisor Managed Portfolios. Please read it thoroughly before investing.

**VISION2020 Wealth Management Platform - Model Portfolios Program:** The Wealth Management Platform - Model Portfolios Program ("Model Program") offers Clients managed asset allocation models ("Asset Allocation Models") of mutual funds or exchange traded funds ("ETFs")

diversified across various investment styles and strategies. The Asset Allocation Models are constructed by managers ("Program Managers") such as Russell Investment Management Company, ICON Advisers, Inc. and Morningstar Associates, LLC.

Based upon the risk tolerance of each Client, the Model Program utilizes a system that selects a specific Asset Allocation Model which may contain either 1) a combination of mutual funds or 2) a combination of exchange traded funds ("ETFs") depending on which Program Manager is used. Together, we will select a recommended Asset Allocation Model. After the Asset Allocation Model is chosen, we, with the assistance of the Model Program sponsor, will open a Model Program account. Your assets will be invested in the specific investments contained within the recommended Asset Allocation Model. You have the opportunity to place reasonable restrictions on investments held within the Model Program account.

For further Model Program details, including a full list of Program Managers, please see the Model Program Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in the Model Program. Please read it thoroughly before investing.

**VISION2020 Wealth Management Platform - SMA and UMA Program:** The Wealth Management Platform - SMA and UMA Account Program ("Wealth Managed Account Program" or "WMAP") provides you with the opportunity to invest your assets across multiple investment strategies and asset classes by implementing an asset allocation strategy. WMAP is a Wrap Account program that offers these advisory services along with brokerage and custodial services for a single, asset-based, advisory fee.

We will present you with a WMAP asset allocation model ("WMAP Model") for your approval which will consist of: 1) third party money managers ("WMAP Managers") who will manage your WMAP account according to a particular equity or fixed income model or strategy, or 2) no-load mutual funds ("Funds"), or 3) exchange traded funds ("ETFs") or any combination thereof (individually or collectively, "WMAP Investments"). WMAP Investments will be managed according to the selected WMAP Model. WMAP Investments are held within a separately managed account or a series of separately managed accounts (collectively, "SMA Account") or in one, unified managed account ("UMA Account").

We will suggest a WMAP Model to you based on your responses to a risk tolerance questionnaire ("Questionnaire") and discussion that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your WMAP account.

For further WMAP details please see the WMAP Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in WMAP. Please read it thoroughly before investing.

**VISION2020 Advisor Program:** We offer the VISION2020 Advisor Program ("V2A") which provides comprehensive investment management of your assets through the application of asset allocation planning software as well as the provision of execution, clearing and custodial services through Pershing.

V2A provides risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, and portfolio optimization and re-balancing tools. Utilizing these tools, and based on your responses to a risk tolerance questionnaire ("Questionnaire") and/or discussions that we have together regarding among other things, investment objective, risk tolerance, investment time horizon, account restrictions, and overall financial situation, we construct a portfolio of investments for you. This portfolio may consist of mutual funds, exchange traded funds, equities, options, debt securities, variable life, and/or variable annuity sub-accounts (certain restrictions may apply) or other investments.

Each portfolio is designed to meet your individual needs, stated goals and objectives. Additionally, you have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

For further V2A details, please see the V2A Wrap Fee Program Brochure. We provide this brochure to you prior to or concurrent with your enrollment in V2A. Please read it thoroughly before investing.

**RASA 044 Accounts:** We offer RASA 044 Accounts ("RASA") as a non-commissionable advisory account where we can purchase load waived and no-load mutual funds and other equity, debt and option securities for you. Our Advisory Representative will obtain the relevant financial data from you and assist you in the selection of suitable investments. We will base our investment strategy on your specific goals and situation. In addition, you have the opportunity to place reasonable restrictions on investments held within your RASA account.

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.

**Third Party Advisory Services:** We offer our clients the services of various third party investment advisors ("Third-Party Advisory Services") for the provision of certain investment advisory programs including mutual fund wrap and separately managed account programs.

In connection with these arrangements, we will provide assistance in the selection and ongoing monitoring of a particular Third-Party Advisory Service. Factors that we consider in the selection of a particular third-party advisor may include but may not be limited to: i) our assessment of a particular Third-Party Advisory Service; ii) your risk tolerance, goals, objectives and restrictions, as well as investment experience; and, iii) the assets you have available for investment.

You should know that the services provided by us through the use of Third-Party Advisory Services are under certain conditions directly offered by them to you. The fees charged by Third-Party Advisory Services who offer their programs directly to you may be more or less than the combined fees charged by the Third Party Advisory Service and us for our participation in the investment programs. However, when using the services of Third-Party Advisory Services directly, you do not receive our expertise in developing an investment strategy, selecting a Third-Party Advisory Service, monitoring the performance of your account and changing a Third-Party Advisory Service provider when appropriate.

### **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**

### **Financial Planning Fees**

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.

When you receive financial planning services you may also purchase securities or insurance products offered through Royal Alliance pursuant to the plan or consultation. Members of our Firm may receive commissions as Registered Representatives of Royal Alliance or insurance agents in connection with such transactions. Thus, we may have a conflict of interest when providing financial



planning services to you as there may be an incentive for us to recommend specific courses of action through our financial planning services that may lead to members of our Firm receiving additional compensation.

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 our providing you with financial planning services, or any advisory service that we offer.

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.

### **Advisory Consulting Fees**

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.

**Vision2020 Wealth Management Platform - Advisor Managed Portfolios Program:** We offer Advisor Managed Portfolios as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

We may also offer Advisor Managed Portfolios with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the quarterly account fee described below for advisory services, you will also pay separate per-trade transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Advisor Managed Portfolios Wrap Fee Program Brochure for further details.

Our Advisor Managed Portfolios account fee schedule is as follows:

<u>Assets Under Management</u>	<u>Annual Fee Range (%)</u>
\$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%

**VISION2020 Wealth Management Platform - Model Portfolios Program:** We offer the Model Program as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the Model Program Wrap Fee Program Brochure for further details.

Our Model Program account fee schedule is as follows:

<u>Assets Under Management</u>	<u>Annual Fee Range (%)</u>
\$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%

**VISION2020 Wealth Management Platform - SMA and UMA Program:** We offer WMAP as an account where no separate transactions charges apply and a single fee is paid for all advisory services and transactions ("Wrap Account").

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account

fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the WMAP Wrap Fee Program Brochure for further details.

Our WMAP account fee schedule is as follows:

<u>Assets Under Management</u>	<u>Annual Fee Range (%)</u>
\$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%

**VISION2020 Advisor Program Fees:** The VISION2020 Advisor Program ("V2A") 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:

<u>Assets Under Management</u>	<u>Annual Fee Range (%)</u>
\$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%

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.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the quarter.

Additional, ancillary fees may apply. Please see the V2A Wrap Fee Program Brochure for further details.

**RASA Account Fees:** We offer RASA as an account billed with separate advisory fees and transaction charges ("Non-Wrap Account"). As such, in addition to the quarterly account fee described below, you will also pay separate per-trade transaction charges. Please see your client agreement for a complete list of transaction charges.

You will pay a quarterly account fee, in advance, based upon the market value of the assets held in your account as of the last business day of the preceding calendar quarter. Your account fees are negotiable and will be debited from your account by our custodian. You will receive a full account fee refund in the event that you terminate your client agreement with us within five business days of signing. If you terminate after the first five days, the account fee will be credited back to you on a pro-rata basis for the unused portion of the billing period.

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

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

**Third Party Advisory Services Fees:** 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.

Compensation in connection with Third Party Advisory Services generally consists of five elements: i) management fees paid to Third Party Advisory Services ii) management fees paid to us as discussed above iii) transaction costs - if applicable - which may be paid to purchase and sell such securities; iv) custody fees; v) revenue sharing compensation paid to Royal Alliance Associates, Inc. ("Royal Alliance") the securities broker-dealer to which members of our Firm are associated with; and vi) fees paid to Royal Alliance for administrative and supervisory services.

Fees assessed by the IRIA generally range between 0.025% and 2.50%. 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.

### **General Fee Disclosures**

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.

**Non-Wrap Accounts:** In addition to the per-trade transaction charges referenced above, you will also be subject to per-trade confirmation fees as disclosed on your trade confirmation (typically \$4.00 per trade) and an additional fee of \$1.50 for each trade confirmation that you do not elect to receive electronically. You may also be subject to an additional, per-trade transaction charge on the selling of certain securities as disclosed on your trade confirmation (generally less than \$1.00 on trades of \$50,000 or less). These fees are not shared with us but are transaction charges paid to Royal Alliance and our custodian. Please see Item 10 which explains our relationship with Royal Alliance.

There are additional fees relating to IRA and Qualified Retirement Plan accounts that you may incur such as maintenance and termination fees. You will find these fees disclosed in the account application paperwork provided to you associated with these accounts.

**Wrap Accounts:** You will be charged an additional fee of \$1.50 for each trade confirmation that you do not elect to receive electronically. You may also be subject to an additional, per-trade transaction charge on the selling of certain securities as disclosed on your trade confirmation (generally less than \$1.00 on trades of \$50,000 or less). These fees are not shared with us but are transaction charges paid to Royal Alliance and our custodian. Please see Item 10 which explains our relationship with Royal Alliance.

There are additional fees relating to IRA and Qualified Retirement Plan accounts that you may incur such as maintenance and termination fees. You will find these fees disclosed in the account application paperwork provided to you associated with these accounts.

### **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. We will have a greater financial incentive to sell certain products as opposed to 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 we have to sell certain



securities products and are encouraged to ask us about any conflict presented. 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.

Variable annuity companies generally impose internal fees and expenses on your variable annuity investment, including contingent deferred sales charges and early redemption fees. In addition, variable annuity companies generally impose mortality charges of approximately 1.25% annually. These fees are in addition to the fees and expenses referenced above. Complete details of such internal expenses are specified and disclosed in each variable annuity company's prospectus. Please review the Variable Annuity prospectus for full details.

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. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. 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. 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.

Listed above are some of the primary risks associated with the way we recommend investments to you, please do not hesitate to contact us to discuss these risks and others in more detail.

In instances where we recommend that a third party manage your assets, please refer to the third party's ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks.

## **Item 9 Disciplinary Information**

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. The Missouri Securities Division and Clifford E. Van Ittersum have, in the past, entered into a consent order. More information concerning the consent order can be obtained from FINRA's BrokerCheck link at: [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

## Item 10 Other Financial Industry Activities and Affiliations

Certain Officers and 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 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.

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 money managers ("TPMM") based on your needs and suitability. We will receive compensation from the TPMM 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 TPMM 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 clients and prospective clients 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**

As described in Item 10, our Advisory Representatives are also Registered Representatives of Royal Alliance, a FINRA registered broker-dealer. In order to meet its FINRA supervisory obligations, Royal Alliance requires that all investment advisory activities that we conduct 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.

### **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. In connection with the provision of Advisory Referral Services, our choice of custodian will be limited to those choices offered by the Third Party Advisory Service.

### **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

Personnel currently performing reviews are: Cliff Van Ittersum, Member, Chief Compliance Officer; Lon W. Broske, Member, Advisory Representative; Loren W. Lumpe, Advisory Representative, and David A. Watson, Advisory Representative. The individuals conducting reviews may vary from time to time, as personnel join or leave our firm.

### 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 required under the terms of the executed agreement for services. 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.

As discussed previously, all our Advisory Representatives are Registered Representatives of Royal Alliance. This arrangement requires us to offer you advisory services and programs sponsored or approved by Royal Alliance. Royal Alliance sets limits on how much we can charge you for these advisory services. Some advisory programs have higher fee limits than others. As such, there may be an incentive for us to recommend to you advisory services or programs with higher limits. In addition, Royal Alliance may charge us certain usage fees and expenses to use their advisory programs which may decrease the amount of money we make when offering investment advice to you. Therefore, there may be an incentive to provide you with advisory programs and services that may be cheaper for us to use but not as suitable to your needs as other advisory programs that Royal Alliance sponsors which may be more expensive for us to use.

In addition, Royal Alliance offers our Advisory Representatives educational, training and incentive programs for those Advisory Representatives that meet certain sales production goals. There may be an incentive for us to manage your account in ways that assist us in meeting these production goals even if such strategies may not always be suitable for your account.

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.

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.

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.

Certain Third Party Advisory Service programs may provide our Advisory Representatives with the opportunity to attend training or education conferences. Such conferences include the payment or reimbursement of travel, meals and lodging expenses for attendees. Payment/reimbursement of expenses is not contingent upon sales targets or contests, but rather on total assets managed on their respective Third Party Advisory Service platforms. We may have an incentive to recommend Third Party Advisory Service programs that provide us with the above referenced opportunities over those that do not.

## **Item 15 Custody**

As paying agent for our firm, Pershing, LLC will directly debit your account(s) for the payment of our advisory fees. 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 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**

Without exception, 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 a balance sheet or other financial information to our clients, because we do not require the prepayment of fees in excess of \$500 and six months or more in advance; we do not take custody of client funds or securities; and, we do not have a financial condition that is reasonably likely to impair our ability to meet our commitments to you. Moreover, we have never been the subject of a bankruptcy petition.

## Item 19 Requirements for State Registered Investment Advisers

Refer to the Part(s) 2B for background information about management personnel and those giving advice on behalf of our firm.

Our firm is not actively engaged in any other business beyond giving investment advice.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the *Performance-Based Fees and Side-By-Side Management* section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

## 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.

**David A. Watson**

**Pines Wealth Management, LLC  
11475 Olde Cabin Road, Suite 220  
St. Louis, MO 63141**

**Telephone: 314-576-6767**

**03/28/2012**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about David A. Watson that supplements Pines Wealth Management, LLC's firm brochure. You should have received a copy of that brochure. Please contact Clifford E. Van Ittersum at 314-576-6767 if you did not receive Pines Wealth Management, LLC's firm brochure or if you have any questions about the contents of this supplement.

Additional information about David A. Watson is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

### David A. Watson

Year of Birth: 1963

Formal Education:

- St. Louis University, Honors, BS 1985

Business Background Preceding Five Years:

- Pines Wealth Management, LLC, Investment Adviser Representative, 09/08 - Present
- Royal Alliance Associates, Inc., Registered Representative, 06/96 - Present
- D.A. Watson & Co., President, 01/90 - Present; D. A. Watson & Company is a financial services firm
- The Blue Chip Consortium, LLC. Managing Member, 01/97 - Present; The Blue Chip Consortium, LLC is an insurance agency, specializing in the employee benefits arena.

Certifications:

- Chartered Life Underwriter (CLU), 1997

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners, income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

- Chartered Financial Consultant (ChFC), 1998

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

- Registered Health Underwriter (RHU), 1998

The designation is issued by The American College and the National Association of Health Underwriters for persons involved in the sale and service of disability income and health insurance. Once issued, the individual is periodically required to submit continuing education hours.

- Registered Employee Benefits Consultant (REBC), 1999

The designation is issued by The American College and the National Association of Health Underwriters for persons involved in the sale and service of employee benefit plans. Once issued, the individual is periodically required to submit continuing education hours.

## Item 3 Disciplinary Information

Mr. Watson does not now, nor has he ever had, and disciplinary activity.

## Item 4 Other Business Activities

Mr. Watson is a registered representative with Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Watson may recommend securities or insurance products offered by Royal Alliance as part of your investment portfolio. If his clients purchase these products through Mr. Watson, he will receive the customary commissions in his separate capacity as a registered representative of Royal Alliance. Additionally, Mr. Watson could be eligible to receive incentive awards such as Royal Alliance may offer. He may also receive 12b-1 fees from mutual funds that pay such fees. The receipt of additional compensation gives Mr. Watson an incentive to recommend investment products based on the compensation received, rather than on your investment needs. Please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

## Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Watson's receipt of additional compensation as a result of his activities as a registered representative Royal Alliance and licensed insurance agent.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

## Item 6 Supervision

Clifford E. Van Ittersum, Chief Compliance Officer of Pines Wealth Management, LLC, is responsible for supervising the advisory activities of Mr. Watson.

We have established reasonable compliance procedures designed to provide guidance in the supervision of our associated persons and to assist our firm in detecting and preventing violations of securities laws. In addition, as registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance") we are subject to annual audits by Royal Alliance and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by Royal Alliance.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by Royal Alliance, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment adviser representatives' client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

## Item 7 Requirements for State Registered Advisers

Mr. Watson does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization or administrative proceeding, and has not been the subject of a bankruptcy petition.

**Loren W. Lumpe**

**Pines Wealth Management, LLC  
11475 Olde Cabin Road, Suite 220  
St. Louis, MO 63141**

**Telephone: 314-576-6767**

**03/28/2012**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Loren W. Lumpe that supplements Pines Wealth Management, LLC's firm brochure. You should have received a copy of that brochure. Please contact Clifford E. Van Ittersum at 314-576-6767 if you did not receive Pines Wealth Management, LLC's firm brochure or if you have any questions about the contents of this supplement.

Additional information about Loren W. Lumpe is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

### **Loren W. Lumpe**

*Year of Birth:* 1957

*Formal Education:*

- University of Missouri - Columbia, BS/PA, 1979

*Business Background Preceding Five Years:*

- Pines Wealth Management, LLC, Investment Adviser Representative, 01/08-Present
- Royal Alliance Associates, Inc., Registered Representative, 01/97-Present
- Walnut Street Securities, Registered Representative, 9/89-01/97

*Certifications:*

- Certified Financial Planner™ (CFP®), 1989

**The CERTIFIED FINANCIAL PLANNER, CFP®** and federally registered CFP® (with flame design) marks (collectively, the "CFP marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP certification in the United States.

To attain the right to use the CFP marks, an individual must satisfactorily fulfill the following requirements:

- Education - Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination - Pass the comprehensive CFP Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics - Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP marks:

- Continuing Education - Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

- Ethics - Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP professionals provide financial planning services at a fiduciary standard of care. This means CFP professionals must provide financial planning services in the best interests of their clients.

CFP professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP certification.

### Item 3 Disciplinary Information

Mr. Lumpe does not now, nor has he ever had, any disciplinary activity.

### Item 4 Other Business Activities

Mr. Lumpe is a registered representative with Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Lumpe may recommend securities or insurance products offered by Royal Alliance as part of your investment portfolio. If his clients purchase these products through Mr. Lumpe, he will receive the customary commissions in his separate capacity as a registered representative of Royal Alliance. Additionally, Mr. Lumpe could be eligible to receive incentive awards such as Royal Alliance may offer. He may also receive 12b-1 fees from mutual funds that pay such fees. The receipt of additional compensation gives Mr. Lumpe an incentive to recommend investment products based on the compensation received, rather than on your investment needs. Please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

### Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Lumpe's receipt of additional compensation as a result of his activities as a registered representative Royal Alliance and licensed insurance agent.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

### Item 6 Supervision

Clifford E. Van Ittersum, Chief Compliance Officer of Pines Wealth Management, LLC, is responsible for supervising the advisory activities of Mr. Lumpe.

We have established reasonable compliance procedures designed to provide guidance in the supervision of our associated persons and to assist our firm in detecting and preventing violations of securities laws. In addition, as registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance") we are subject to annual audits by Royal Alliance and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by Royal Alliance.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by Royal Alliance, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment adviser representatives' client



holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

### **Item 7 Requirements for State Registered Advisers**

Mr. Lumpe does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization or administrative proceeding, and has not been the subject of a bankruptcy petition.

**Clifford E. Van Ittersum**

**Pines Wealth Management, LLC  
11475 Olde Cabin Road, Suite 220  
St. Louis, MO 63141**

**Telephone: 314-576-6767**

**04/12/2012**

**FORM ADV PART 2B  
BROCHURE SUPPLEMENT**

This brochure supplement provides information about Clifford E. Van Ittersum that supplements Pines Wealth Management, LLC's firm brochure. You should have received a copy of that brochure. Please contact Clifford E. Van Ittersum at 314-576-6767 if you did not receive Pines Wealth Management, LLC's firm brochure or if you have any questions about the contents of this supplement.

Additional information about Clifford E. Van Ittersum is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

### Clifford E. Van Ittersum

*Year of Birth:* 1952

*Formal Education:*

- Michigan State University, B.A., 1974

*Business Background Preceding Five Years:*

- Pines Wealth Management, LLC,
  - Member, Manager, and Investment Adviser Representative, 12/03-Present
  - Chief Compliance Officer, 01/10 - Present
- Royal Alliance Associates, Inc., Registered Representative, 2/97-Present
- Pines Financial Group, Inc., Advisory Representative, 12/92-12/03
- Walnut Street Securities, Registered Representative, 12/92-01/97

*Certifications:*

- Chartered Life Underwriter (CLU), 1982

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take a series of mandatory courses which include, for example, the following: insurance planning, life insurance law, fundamentals of estate planning, planning for business owners, income taxation, group benefits, planning for retirement needs, and investments. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

- Chartered Financial Consultant (ChFC), 1984

This designation is issued by The American College and is granted to individuals who have at least three years of full-time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning; income taxation, investments and application of financial planning; as well as two elective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.

- Certified Financial Planner™ (CFP®), 1995

**The CERTIFIED FINANCIAL PLANNER, CFP®** and federally registered CFP® (with flame design) marks (collectively, the "CFP marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

The CFP certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP certification in the United States.

To attain the right to use the CFP marks, an individual must satisfactorily fulfill the following requirements:

- Education - Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination - Pass the comprehensive CFP Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience - Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics - Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP marks:

- Continuing Education - Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics - Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP professionals provide financial planning services at a fiduciary standard of care. This means CFP professionals must provide financial planning services in the best interests of their clients.

CFP professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP certification.

### Item 3 Disciplinary Information

The Missouri Securities Division and Clifford E. Van Ittersum have, in the past, entered into a consent order. More information concerning the consent order can be obtained from FINRA's BrokerCheck link at: [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

### Item 4 Other Business Activities

Mr. Van Ittersum is a registered representative with Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Van Ittersum may recommend securities or insurance products offered by Royal Alliance as part of your investment portfolio. If his clients purchase these products through Mr. Van Ittersum, he will receive the customary commissions in his separate capacity as a registered representative of Royal Alliance. Additionally, Mr. Van Ittersum could be eligible to receive incentive awards such as Royal Alliance may offer. He may also receive 12b-1 fees from mutual funds that pay such fees. The receipt of additional compensation gives Mr. Van Ittersum an incentive to recommend investment products based on the compensation received, rather than on your investment needs. Please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

## Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Van Ittersum's receipt of additional compensation as a result of his activities as a registered representative Royal Alliance and licensed insurance agent.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

## Item 6 Supervision

Loren W. Lumpe, Investment Adviser Representative, is responsible for supervising the advisory activities of Mr. Van Ittersum.

We have established reasonable compliance procedures designed to provide guidance in the supervision of our associated persons and to assist our firm in detecting and preventing violations of securities laws. In addition, as registered representatives of Royal Alliance Associates, Inc. ("Royal Alliance") we are subject to annual audits by Royal Alliance and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by Royal Alliance.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by Royal Alliance, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment adviser representatives' client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

## Item 7 Requirements for State Registered Advisers

Mr. Van Ittersum does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization or administrative proceeding, and has not been the subject of a bankruptcy petition.

## **Lon William Broske**

**Pines Wealth Management, LLC  
11475 Olde Cabin Road, Suite 220  
St. Louis, MO 63141**

**Telephone: 314-576-6767**

**03/28/2012**

### **FORM ADV PART 2B BROCHURE SUPPLEMENT**

This brochure supplement provides information about Lon W. Broske that supplements Pines Wealth Management, LLC's firm brochure. You should have received a copy of that brochure. Please contact Clifford E. Van Ittersum at 314-576-6767 if you did not receive Pines Wealth Management, LLC's firm brochure or if you have any questions about the contents of this supplement.

Additional information about Lon W. Broske is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Item 2 Educational Background and Business Experience

### Lon William Broske

Year of Birth: 1968

Formal Education:

- Eastern Illinois University, B.S., 1990.
- College for Financial Planning, courses taken from 1992-1996

Business Background Preceding Five Years:

- Pines Wealth Management, LLC,
  - Member, Manager and Investment Adviser Representative, 02/2004 -Present
  - Chief Compliance Officer, 02/2004 - 01/2010
- Royal Alliance Associates, Inc., Registered Representative, 03/ 1999-Present
- Pines Financial Group, Inc., Advisory Representative, 3/99-11/03
- Allmerica Financial, Registered Representative, 9/93-3/99
- Archer Daniels Midland Company, Chemical Engineer, 6/91-9/93

## Item 3 Disciplinary Information

Mr. Broske does not now, nor has he ever had, any disciplinary activity.

## Item 4 Other Business Activities

Mr. Broske is a registered representative with Royal Alliance Associates, Inc. ("Royal Alliance"). Royal Alliance is a diversified financial services company engaged in the sale of specialized investment products. In this capacity, Mr. Broske may recommend securities or insurance products offered by Royal Alliance as part of your investment portfolio. If his clients purchase these products through Mr. Broske, he will receive the customary commissions in his separate capacity as a registered representative of Royal Alliance. Additionally, Mr. Broske could be eligible to receive incentive awards such as Royal Alliance may offer. He may also receive 12b-1 fees from mutual funds that pay such fees. The receipt of additional compensation gives Mr. Broske an incentive to recommend investment products based on the compensation received, rather than on your investment needs. Please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

## Item 5 Additional Compensation

Please refer to the *Other Business Activities* section above for disclosures on Mr. Broske's receipt of additional compensation as a result of his activities as a registered representative Royal Alliance and licensed insurance agent.

Also, please refer to the *Fees and Compensation* section and the *Client Referrals and Other Compensation* section of Pines Wealth Management, LLC's firm brochure for additional disclosures on this topic.

## Item 6 Supervision

Clifford E. Van Ittersum, Manager and Chief Compliance Officer of Pines Wealth Management, LLC, is responsible for supervising the advisory activities of Mr. Broske.

We have established reasonable compliance procedures designed to provide guidance in the supervision of our associated persons and to assist our firm in detecting and preventing violations of securities laws. In addition, as registered representatives of Royal Alliance Associates, Inc.



("Royal Alliance") we are subject to annual audits by Royal Alliance and we are only permitted to conduct our advisory practice in accordance with strict controls and limitations set by Royal Alliance.

In the supervision of our associated persons, advice provided is limited based on the restrictions set by Royal Alliance, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of each investment adviser representatives' client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines.

### **Item 7 Requirements for State Registered Advisers**

Mr. Broske does not have any reportable arbitration claims, has not been found liable in a reportable civil, self-regulatory organization or administrative proceeding, and has not been the subject of a bankruptcy petition.