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Disclosure Brochure

March 6, 2012

This brochure provides information about the qualifications and business practices of Holland Advisory Services, Inc. If you have any questions about the contents of this brochure, please contact us at 386.671.7526. 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.

Holland Advisory Services, Inc. is a state-registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about Holland Advisory Services, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. Our CRD Number is 136302.



Material Changes

The last annual update of Holland Advisory Services, Inc.'s disclosure brochure was on March 23, 2011. Since that time, we have made the following material changes to our brochure:

- ❖ We now offer portfolio management with performance-based fees.
- ❖ Due to the changes brought about by the Dodd–Frank Wall Street Reform and Consumer Protection Act, we have filed for registration with the states of Florida, Texas, and Michigan and will be withdrawing our SEC registration.

Performance-Based Fees

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. The program fee is structured as follows:

- ❖ An annual Base Fee of 0.5% will be charged as a percentage of the accounts under management. This amount which is billed quarterly, and will be determined by the account value on the last business day of the preceding calendar quarter.
- ❖ If in any calendar year, the minimum return “hurdle” of 7% net of fees is achieved then the performance fee is earned. This hurdle cannot be changed during the calendar year, but with at least 90 days written notice the company reserves the right to adjust this hurdle, either up or down, at the beginning of a new year. In the event that the return exceeds the hurdle for a calendar year, the company will be entitled to 20% of such excess, and
- ❖ The rate of return calculated for assets in this program will be net of the base fee and any performance fee that may have been deducted from the account during the year.

We manage both accounts that are charged a performance-based fee and accounts that are charged an asset-based fee. Performance-based fees may create an incentive for us to favor accounts for which we receive a performance-based fee over accounts where we do not. Performance-based compensation may also create an incentive for us to recommend an investment that may carry a higher degree of risk for the client. However, trades in all accounts are reviewed on a regular basis to monitor the fairness and suitability of the transactions.

We send a summary of any material changes to our brochures by April 29th of each year. We may also provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes include the date of our last annual update of our brochure.

You may request a copy of our complete brochure by contacting Kalon Hoad, Chief Compliance Officer at 386.671.7526 or kalon.hoad@hollandfinancial.com. We will provide you with our most recent brochure at any time without charge.

Additional information about our company is also available via the SEC's website: www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with us who are registered as investment adviser representatives of Holland Advisory. Information on our investment adviser representatives who work with your account can be found in our brochure supplement located at the end of our disclosure brochure.

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Advisory Business

Holland Advisory Services, Inc. (“Holland Advisory, we, our, ours”) is a corporation organized under the laws of Florida. David Holland founded the Ormond Beach-based investment advisory firm in 1997. Holland Advisory is a wholly owned subsidiary of Holland Financial, Inc., of which David Holland is the sole owner. Holland Advisory is a state-registered investment advisory firm. As of December 31, 2011, we managed approximately \$52.9 million in client assets where we made the investment decisions for our clients.

We use asset allocation and MPT as the cornerstone of portfolio construction in our passive strategic, active strategic and tactical growth portfolio strategies. We offer, or assign, you to one of our investment strategies. This is determined through a series of meetings with you to determine the most appropriate solution for your financial situation.

Our Interview and Consultation meeting is about getting to know you. We feel strongly about educating you from day one. At this initial meeting, you are given information about our products, services, fees, and charges. The completed Confidential Questionnaire and supporting financial statements are the starting point for your plan. These items, which we gather at this first meeting, will assist us in determining how we can be of service to you.

Once the planning team has reviewed all of the information that you provide, the next meeting is held to discuss the Financial Analysis. The analysis examines each component of your current portfolio to determine if improvements can be made. You are given details concerning your asset composition, sector and global weightings, equity style, fixed income style, mutual fund and variable annuity expense charges (if applicable). An assessment of the portfolio’s investment holdings, utilizing the Morningstar rating system, is performed and shows how accounts are distributed over each rating category as well as identifying those securities with lower ratings. At this time we also begin looking at what changes (if any) can be made to assist you achieve the financial goals that you have communicated to us.

At our Retirement Planning and Recommendations meeting, we present you with investment recommendations, and in some cases, based on your situation; a detailed income distribution plan is presented as well.

If you desire, implementation paperwork is completed, accounts are set-up, and the transfer of assets begins. Once the accounts are set-up and the assets transferred, implementation of the investment strategies begin. During this time-period, a fourth meeting is held to deliver original documents and introduce you to our service team.

In managing your investment portfolio, we consider your financial situation, risk tolerance, investment horizon, liquidity needs, tax considerations, investment objectives, and any other issues important to your state of affairs. Information concerning specific investment strategies can be found under the section entitled “Methods of Analysis, Investment Strategies and Risk of Loss” later in this disclosure document. You should notify us promptly if there are any changes in your financial situation or investment objectives or if you wish to impose any reasonable restrictions upon the management of your account.

Passive Strategic Strategies

Up to eight Exchange Traded Funds (ETFs) are used to implement the asset allocation of these strategies. Reallocation will be performed when the target allocation for each strategy drifts to an out of tolerance condition. When the strategy is out of tolerance, it will be reallocated back to its initial target allocation. A core group of ETFs may be purchased or sold with no transaction fees. The core group of no transaction fee ETFs will be utilized in the strategies (where applicable and appropriate), to minimize transaction costs.

These strategies are for the client who desires a passive or index approach to investing. Shown below are the target asset compositions for the strategies.

Passive Strategic Asset Allocation Model	Target Percentage		
	Equity	Bonds	Cash
Moderately Aggressive	70-80%	20-30%	0-5%
Moderate	45-55%	45-55%	0-8%
Moderately Conservative	25-35%	65-75%	0-10%

Active Strategic Strategies

Mutual funds and ETFs are primarily used to implement the asset allocation of these strategies. These strategies are constructed using approximately 10 – 20 mutual funds / or ETFs. In the selection of mutual funds, we concentrate on funds with long-term consistent management, performance, and reasonable expense ratios.

ETFs may be used in these six strategies to provide additional diversification which may not be present with some mutual funds that maintain concentrated stock positions. Additionally, ETFs allow for precise exposure to certain sector, global region, or market-cap equities that may be difficult to obtain using mutual funds. Reallocation of these strategies is performed approximately three to five times per year.

Each strategy consists of a different “target” asset allocation. Shown below are the target asset compositions for the strategies.

Passive Strategic Asset Allocation Model	Target Percentage		
	Equity	Bonds	Cash
Aggressive Growth	95-100%	0-10%	0-5%
Growth	75-85%	10-20%	0-8%
Balanced Growth	55-65%	30-40%	0-8%
Balanced Income	40-50%	45-55%	0-10%
Income	20-30%	55-65%	5-15%
Conservative	5-15%	70-8-%	10-20%

Tactical Growth Strategy

This strategy attempts to take advantage of market cycles and economic conditions by hedging, shorting (through ETFs), overweighting or underweighting asset classes that may add return or reduce loss based on the economic or market environment. The strategy uses mutual funds, ETFs, and individual stocks and bonds to implement its allocation decisions. The portfolio asset allocation uses a mix of equities, fixed income, commodities, and cash. Since the strategy is a mix between tactical allocation and individual security selection with no parameters on equity exposure, the strategy is considered aggressive.

The strategy allocation is broadly divided as follows:

- ❖ Sixty percent makes up a diversified “core” that will consist of one of our active strategic strategies,
- ❖ Forty percent of the strategy is set aside for individual stock and bonds, ETFs, or other allowed securities in an attempt to increase return or reduce loss. Selection of the securities will be based on both technical and fundamental securities techniques.

With a strategy that is more active and responsive to economic and market movements, the client can expect trading activity to be more frequent than the strategic strategies.

Retirement Planning

Retirement planning is an evaluation of the investment and financial options available to you based upon your defined economic criteria. This kind of planning includes:

- ❖ attempting to make optimal decisions;

- ❖ projecting the consequences of these decisions for the client in the form of a specific, targeted financial plan – a working blueprint;
- ❖ implementing the financial plan in an attempt to achieve your objectives;
- ❖ comparing future performance against the working blueprint; and,
- ❖ making modifications as needed to the blueprint as your situation and economic conditions change.

In general, our retirement planning encompasses one or more of the following areas of financial need as presented by the client:

- ❖ **Retirement** – Analysis of current strategies and investment plans to help you work toward achieving your retirement goals.
- ❖ **Investments** – Analysis of investment alternatives and their effect on your investment portfolio(s), including a risk and return analysis. Assessment of your tax tolerance profile.
- ❖ **Taxes & Cash Flow** – Understanding the impact of various investments on your current income tax and future tax liability.
- ❖ **Survivor and Beneficiary Planning** – Cash needs at death, income needs of surviving dependents, estate planning and income analysis.
- ❖ **Estate** – Reviewing estate planning documents, including wills and trusts, to determine if you should seek the assistance of an estate planning attorney.
- ❖ **Insurance** – Review of existing policies to ensure proper coverage for life, long-term care, and estate liquidity.

We gather the necessary information to complete the particular area of analysis through a financial profile questionnaire and personal interviews. Information gathered could include your current financial status, a list of assets, insurances, wills and/or trusts documents, monthly expenses and other information based on your financial status, and future goals. Related documents that you supply are carefully reviewed and discussed with you.

Trustee Services

Although a grantor may name himself as trustee of a living trust during his lifetime, he should name a successor trustee to act when he is disabled or deceased. At the grantor's death, the successor trustee must distribute the assets of the trust in accordance with the directions in the trust document. In addition to providing Investment Services for the trust, David D. Holland provides the following additional trustee services:

- ❖ Contacts attorney to review trust and process
- ❖ Keeps beneficiaries informed
- ❖ Puts together team of advisors
- ❖ Inventories assets, determines current values
- ❖ Makes partial distributions if needed

- ❖ Collects benefits, keeps records, files tax returns
- ❖ Pays bills, does final accounting
- ❖ Distributes assets to beneficiaries as trust directs

Fees and Compensation

We offer our services on a fee-only basis. Our fee is calculated as follows: [(number of days in the quarter) / (number of days in the year)] X [applicable annual fee percentage] X [market value on the last day of the previous quarter].

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians (“custodian/ broker-dealer”). Your custodian/broker-dealer determines the values of the assets in your portfolio.

If a relationship begins on a day other than the first day of a calendar quarter, the fees will be prorated for the first partial quarter, and calculated based on the account balance at the end of the first partial quarter. Our fee schedule is described below:

Strategy	Balance	Fee ¹
Passive Strategic	\$10,000 & up	1.0-2.0%
Active Strategic	\$40,000 & up	1.0-2.0%
Tactical Growth	\$100,000 & up	2.0%

¹All fees are negotiable at our sole discretion.

You must authorize us to have the custodian/broker-dealer pay us directly by charging your account. This authorization must be provided in writing.

Your custodian/broker-dealer provides you with statements that show the amount paid directly to us. You should review your custodian/broker-dealer’s statement and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

In addition to our fee, you may be required to pay other charges such as:

- ❖ custodial fees,
- ❖ brokerage commissions,
- ❖ transaction fees,
- ❖ internal fees and expenses charged by mutual funds or exchange traded funds (“ETFs”), and
- ❖ other fees and taxes on brokerage accounts and securities transactions.

Mutual fund companies, ETFs, and variable annuity issuers charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

If you purchase mutual funds through the custodian/broker-dealer, you may pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may pay internal fees that are different from funds held at the mutual fund company.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

Please be sure to read the section entitled “Brokerage Practices,” which follows later in this brochure.

You must pay our advisory fees in advance of receiving our services. Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

Fees for Retirement Planning

If we determine it will be necessary to charge a fee for retirement planning services, such plan services will be offered on an hourly rate of \$200.00. To develop a targeted financial plan, we require a minimum of four hours consultation to address any of your personal and financial needs. All fees will be completely itemized in a billing statement to the client, or as otherwise predetermined in a proposal, engagement letter and/or by retainer. You have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with Holland Advisory.

Retirement planning can be terminated at any time. We will bill you for any services rendered from the date of the last bill up to the date of termination at the agreed upon hourly rate.

Fees for Trustee Services

Our fee schedule for Trustee Services is described below:

Strategy	Balance	Fee ¹
Passive Strategic	\$10,000 & up	1.0-2.0%
Active Strategic	\$40,000 & up	1.0-2.0%
Tactical Growth	\$100,000 & up	2.0%

¹All fees are negotiable at our sole discretion.

Performance-Based Fees

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. The program fee is structured as follows:

- ❖ An annual Base Fee of 0.5% will be charged as a percentage of the accounts under management. This amount which is billed quarterly, and will be determined by the account value on the last business day of the preceding calendar quarter.
- ❖ If in any calendar year, the minimum return “hurdle” of 7% net of fees is achieved then the performance fee is earned. This hurdle cannot be changed during the calendar year, but with at least 90 days written notice, the company reserves the right to adjust this hurdle, either up or down, at the beginning of a new year. In the event that the return exceeds the hurdle for a calendar year, the company will be entitled to 20% of such excess, and
- ❖ The rate of return calculated for assets in this program will be net of the base fee and any performance fee that may have been deducted from the account during the year.

We manage both accounts that are charged a performance-based fee and accounts that are charged an asset-based fee. Performance-based fees may create an incentive for us to favor accounts for which we receive a performance-based fee over accounts where we do not. Performance-based compensation may also create an incentive for us to recommend an investment that may carry a higher degree of risk for the client. However, trades in all accounts are reviewed on a regular basis to monitor the fairness and suitability of the transactions.

Types of Clients

We provide advisory services primarily to pre-retirees and retired individuals, including their trusts, estates and retirement accounts.

As a condition for starting and maintaining an advisory relationship, we generally require the following minimums:

- ❖ Three Passive Strategic Portfolios are available for account sizes \$10,000 and up.
- ❖ Six Active Strategic Portfolios are available for account sizes \$40,000 and up.
- ❖ The Tactical Growth Strategy is available for account sizes of \$100,000 and up.
- ❖ The Performance Program is available to U.S. clients who have at least \$1,000,000 under management with us or who can demonstrate a net worth of at least \$2,000,000.
- ❖ Strategy customization is available for account sizes of \$500,000 or greater.

We, at our sole discretion, may accept clients with smaller portfolios based upon certain factors including:

- ❖ anticipated future earning capacity,
- ❖ anticipated future additional assets,
- ❖ account composition,
- ❖ related accounts, and
- ❖ pre-existing client relationships.

We may consider the portfolios of your family members to determine if your portfolio meets the minimum size requirement.

Methods of Analysis, Investment Strategies and Risk of Loss

We select specific investments for your portfolios through the use of fundamental and technical analysis.

Fundamental analysis is a method of evaluating a company that has issued a security by attempting to measure the value of its underlying assets. It entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the issuing company's security to determine whether to purchase, sell or hold the security.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

Asset allocation and modern portfolio theory are the cornerstone of portfolio construction in our passive strategic, active strategic, and tactical growth strategies. Asset allocation is the process of selecting a mix of asset classes and the efficient allocation of capital to those assets by matching rates of return to a specified and quantifiable tolerance for risk.

Modern Portfolio Theory (MPT) is the analysis of a portfolio of stocks as opposed to selecting stocks based on their unique investment opportunity. The objectives of MPT is to determine a

client's preferred level of risk, then construct a portfolio that maximizes their expected return for that given level of risk. Our investment methodology is based on five (5) premises, each of which is derived from MPT.

- ❖ Clients are inherently risk-averse.
- ❖ The markets are basically efficient.
- ❖ The focus of attention is shifted away from individual securities analysis to consideration of portfolios as a whole, predicated on explicit risk-reward parameters. The allocation of capital among asset classes (equities, bonds, cash, etc.) will have far more influence on long-term portfolio results than the selection of individual securities.
- ❖ For any level of risk that the client is willing to accept, there is a rate of return that should be targeted.
- ❖ Portfolio diversification is not so much a function of how many issues are involved, but more a function of the relationships and proportions of each asset to its correlating asset.

Our Passive and Active Strategic accounts are disciplined and focused to resist the temptation to react to short-term market fluctuations. The Tactical Growth Strategy maintains a “core” sixty percent diversified allocation, while forty percent of the portfolio is allocated to individual stock selection and other ETF strategies in attempt to “outperform.” The diversified core allocation may, from time-to-time, change as our perceptions of the market and economic cycles change.

Our investment strategies may include long-term and short-term purchases and sales. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in loss:

- ❖ loss of principal,
- ❖ a reduction in earnings (including interest, dividends and other distributions), and
- ❖ the loss of future earnings.

Additionally, these risks may include:

- ❖ market risk,
- ❖ interest rate risk,
- ❖ issuer risk, and
- ❖ general economic risk.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

Disciplinary Information

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

David D. Holland is also the owner of Holland Financial, Inc. Holland Financial, Inc. is a parent holding company, which owns both Holland Advisory and Holland Insurance Services, Inc., an insurance agency. The agency sells fixed annuities, life and health products.

Our investment advisory representatives are also licensed as resident Life, Health, and Fixed Annuity Insurance Agents with the State of Florida and as non-resident agents in other states. In their capacity as licensed insurance agents, they may sell insurance related products to Holland Advisory clients and earn commissions from the sale of such products.

If requested by the client to implement any insurance recommendations, we will execute such transactions through those insurance companies with which our personnel are licensed representatives. In such cases, the agents will receive the normal commissions associated with such insurance transactions.

Since the agents offer financial products from those insurance companies in which they are appointed, such recommendations are limited to that pool of products. Therefore, it is possible that the client might be able to execute similar insurance transactions elsewhere with greater performance at lower costs.

These arrangements also present a conflict of interest because they may create an incentive to make recommendations based upon the amount of compensation your advisory representative can receive rather than based upon your needs. Selection of specific programs, products, or investments may also result in an increase in the total fees and commissions received by Holland Insurance Services. We will explain the specific costs associated with any recommended investments with you upon request.

Clients are under no obligation to have any related parties that Holland Advisory recommends prepare planning documents (i.e., financial, estate, insurance, tax, etc...). Nor are they under any obligation to execute documents or custody assets with broker-dealers recommended by the Company. Clients are free to choose any entity to implement any recommendations.

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

We have adopted a Code of Ethics ("Code") to address the securities-related conduct of our advisory representatives and employees. The Code includes our policies and procedures developed to protect your interests in relation to the following:

- ❖ the duty at all times to place your interests ahead of ours;

- ❖ that all personal securities transactions of our advisory representatives and employees be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of an advisory representative's or employee's position of trust and responsibility;
- ❖ that advisory representatives may not take inappropriate advantage of their positions;
- ❖ that information concerning the identity of your security holdings and financial circumstances are confidential; and
- ❖ that independence in the investment decision-making process is paramount.

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

We do not buy or sell securities for our firm that we also recommend to clients. Our advisory representatives and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is owned by you or considered for purchase or sale for you.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- ❖ require our advisory representatives and employees to act in your best interest,
- ❖ prohibit favoring one client over another, and
- ❖ provide for the review of transactions to discover and correct any same-day trades that result in an advisory representative or employee receiving a better price than a client.

Advisory representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

Brokerage Practices

We may recommend that the broker-dealer/custodian for your account be Fidelity Investments through its Institutional Wealth Service Group ("Fidelity"). A secondary custodial and brokerage relationship is maintained with TD Ameritrade.

Fidelity/TD Ameritrade will assist us in servicing your accounts. We are independently owned and operated and not affiliated with Fidelity/TD Ameritrade. Our use of Fidelity/TD Ameritrade is, however, a beneficial business arrangement for us and for Fidelity/TD Ameritrade. Information regarding the benefits of this relationship is described below.

In recommending Fidelity/TD Ameritrade as custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum Fidelity/TD Ameritrade's:

- ❖ existing relationship with us,
- ❖ financial strength,
- ❖ reputation,

- ❖ reporting capabilities,
- ❖ execution capabilities,
- ❖ pricing, and
- ❖ types and quality of research.

The determining factor in the selection of Fidelity/TD Ameritrade to execute transactions for your accounts is not the lowest possible transaction cost, but whether Fidelity/TD Ameritrade can provide what is in our view the best qualitative execution for your account.

Fidelity/TD Ameritrade provides us with access to its institutional trading and custody services, which includes:

- ❖ brokerage,
- ❖ custody,
- ❖ research, and
- ❖ access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

We are not required to effect a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services.

Fidelity/TD Ameritrade does not charge separately for holding our clients accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

Fidelity/TD Ameritrade also makes available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- ❖ provide access to account data such as:
 - duplicate trade confirmations,
 - bundled duplicate account statements, and
 - access to an electronic communication network for client order entry and account information;
- ❖ facilitate trade execution, including:
 - access to a trading desk serving advisory participants exclusively and
 - access to block trading which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account;
- ❖ provide research, pricing information and other market data;
- ❖ facilitate payment of our fees from client accounts; and
- ❖ assist with back-office functions, record keeping and client reporting; and
- ❖ receipt of compliance publications.

Fidelity/TD Ameritrade also makes available to us other services intended to help us manage and further develop our business. These services may include:

- ❖ consulting,
- ❖ publications and conferences on practice management,
- ❖ information technology,
- ❖ business succession,
- ❖ regulatory compliance, and
- ❖ marketing.

Fidelity/TD Ameritrade may also make available or arrange for these types of services to be provided to us by independent third parties. Fidelity/TD Ameritrade may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits as a result of our relationship with Fidelity/TD Ameritrade, because we do not have to produce or purchase the products and services listed above.

Because the amount of our compensation or the products or services we receive may vary depending on the custodian/broker-dealer we recommend to be used by our clients, we may have a conflict of interest in making that recommendation. Our recommendation of specific custodian/broker-dealers may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through Fidelity/TD Ameritrade may be higher than commissions and other fees available if you use another custodian/broker-dealer firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by Fidelity/TD Ameritrade outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained through Fidelity/TD Ameritrade. We do not attempt to allocate these benefits to specific clients.

You may direct us in writing to use a particular broker-dealer to execute some or all of the transactions for your account. If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

We may engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating

client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. Executing a bunched trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees and advisory representatives may be included in bunched trades. They receive the same average price and pay the same commissions and other transaction costs, as clients. Transactions for the accounts of our advisory representatives or employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Bunched trades will not be effected for any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

Review of Accounts

Each account is reviewed on an ongoing basis to ensure that your needs and objectives are being met. All accounts are reviewed in the context of your stated investment objectives and guidelines. Any adjustment made to your pre-defined guidelines may be dictated by our Suitability Questionnaire. Cash needs will be adjusted as necessary.

You will receive statements from the custodian/broker-dealer at least quarterly. These statements identify your current investment holdings, the cost of each of those investments, and their current market values. You will also receive performance analysis reports prepared by us which will provide a quarterly performance report that details Time-Weighted-Return performance at the registration and household level.

Client Referrals and Other Compensation

We may directly compensate persons/firms for client referrals, provided that those persons are qualified and have entered a solicitation agreement with us pursuant to Rule 206(4)-3 of the Investment Advisor Act of 1940, as amended. Under such arrangements, you will be provided full disclosure of the compensation paid to the solicitor and whether such referral will result in higher management fees.

We receive certain economic benefits as a result of our participation in Fidelity/TD Ameritrade's institutional program. Those benefits are described in detail in the preceding section entitled "Brokerage Practices."

Custody

You will receive statements from the custodian/broker-dealer that holds your investment account on at least a quarterly basis. We urge you to carefully review these statements. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account. We also encourage you to contact your advisory representative or our Chief Compliance Officer should you have any questions or concerns regarding your account.

While Mr. Holland is acting as trustee of client assets, Holland Advisory Services is considered to have custody of client assets. Accordingly, we will maintain the funds and securities at a qualified custodian and have the funds and securities verified by an independent public accountant at least once during each calendar year, at a time chosen by the accountant, and without prior notice to us.

Investment Discretion

We offer our advisory services on a discretionary basis. This means that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts. We do not, however, have the ability to choose the broker-dealer through which transactions will be executed. Additionally, we do not have the ability to withdraw funds from your account (other than to withdraw our advisory fees or as trustee which, may only be done with your prior written authorization.) This discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is typically included in the investment advisory agreement you enter into with us.

Voting Client Securities

We do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. We will, however, forward to you any information received by us regarding proxies and class action legal matters involving any securities held in your accounts.

Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.

Requirements for State-Registered Advisers

Our principal executive officers and management persons are David Holland and Kalon Hoard. Their formal education and business background are described at the beginning of our Brochure Supplement starting on page 18.

Holland Advisory is not actively engaged in any business other than giving investment advice.

Holland Advisory offers a performance-based fee program to qualified clients. Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. The program fee is structured as follows:

- ❖ An annual Base Fee of 0.5% will be charged as a percentage of the accounts under management. This amount which is billed quarterly, and will be determined by the account value on the last business day of the preceding calendar quarter.
- ❖ If in any calendar year, the minimum return “hurdle” of 7% net of fees is achieved then the performance fee is earned. This hurdle cannot be changed during the calendar year, but with at least 90 days written notice, the company reserves the right to adjust this hurdle, either up or down, at the beginning of a new year. In the event that the return exceeds the hurdle for a calendar year, the company will be entitled to 20% of such excess, and
- ❖ The rate of return calculated for assets in this program will be net of the base fee and any performance fee that may have been deducted from the account during the year.

We manage both accounts that are charged a performance-based fee and accounts that are charged an asset-based fee. Performance-based fees may create an incentive for us to favor accounts for which we receive a performance-based fee over accounts where we do not. Performance-based compensation may also create an incentive for us to recommend an investment that may carry a higher degree of risk for the client. However, trades in all accounts are reviewed on a regular basis to monitor the fairness and suitability of the transactions.

Neither Holland Advisory nor any of our management persons have been found liable in an arbitration claim or in a civil, self-regulatory organization, or administrative proceeding.

Neither Holland Advisory nor any of our management persons has any relationship or arrangement with any issuers of securities which is not already described under “Other Financial Industry Activities and Affiliations” above.



700 West Granada Blvd.
Ormond Beach, FL 32174
386.671.7526

www.hollandfinancial.com

David D. Holland

Kalon M. Hoard Scott Connor

Angela A. Pinkerton Shannon McAvoy

Jerold Foehl Melissa Forbes

Hady Lagrotta

Brochure Supplement

April 25, 2012

This brochure supplement provides information about the above-listed investment adviser representatives that supplements the Holland Advisory Services brochure. You should have received a copy of that brochure. Please contact Kalon Hoard, Chief Compliance Officer, if you did not receive Holland Advisory Services' brochure or if you have any questions about the contents of this supplement.

Additional information about our investment adviser representatives is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

David Holland

CRD #2612007

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1968

Formal education includes:

- ❖ University of North Florida – B.B.A. Accounting (1990)
- ❖ Institute of Business and Finance – Master of Science in Financial Services (2006)

Business background includes:

- ❖ Holland Advisory Services - CEO (05/07 – Present)
- ❖ Retiree Adviser Marketing – CEO (07/07 – Present)
- ❖ Holland Financial, Inc. – CEO (07/97 - Present)
- ❖ Holland Investment Services – CEO (09/08 – 02/10)
- ❖ Invest Financial Corporation - Principal/Registered Representative (10/03 – 06/05)
- ❖ CPA Financial Advisers, Inc. - CEO & President (03/98 – 12/03)
- ❖ ProEquities, Inc. - Principal/Registered Representative (01/97 – 12/97)
- ❖ Brown & Brown, Inc. - Vice President (10/92 – 07/97)

Professional Designations

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.

Certified Public Accountant (CPA)

A CPA license is legally required in order to do particular jobs, such as public accounting (independent auditing). State laws govern what CPAs can and cannot do with their license.

Requirements vary by state, but in general, in order to sit for the CPA exam, applicants must have a bachelor's degree with 120 semester hours. To obtain the CPA designation, applicants must pass the Uniform CPA Exam, gain relevant work experience and meet additional educational requirements. Overall, additional educational requirements usually consist of 24-30 semester hours in accounting, earned through a graduate or bachelor's degree in business. Many states also require a minimum number of one to two years accounting and/or auditing experience.

Aside from the experience requirements, a CPA license usually takes about 18 months to complete beyond the educational requirements. Many students choose to pursue a masters degree in accounting to fulfill their educational requirements.

Exam: Although classroom requirements are a major requirement, the CPA exam is a difficult task in its own right. Exams are administrated by the American Institute of Certified Public Accountants, the governing body of CPAs in the United States. The 14-hour computerized exam consists of four sections:

- ❖ Auditing and attestation
- ❖ Financial accounting and reporting
- ❖ Regulation
- ❖ Business environment and concepts

The **Personal Financial Specialist (PFS)** is a program that allows CPAs to demonstrate their knowledge and expertise in personal financial planning. A PFS candidate must hold a valid and unrevoked CPA license issued by a legally constituted state authority. The CPA license establishes the ethical and professional foundation for the PFS Credential. Every PFS credential holder has successfully completed the rigorous CPA Exam, has met the strict education and experience requirements, and with membership in the AICPA, has agreed to the AICPA Code of Professional Conduct. Additionally, a PFS Candidate must:

- ❖ Earn a minimum of 80 hours of personal financial planning education within the five year period preceding the date of the PFS application.
- ❖ The PFS Candidate must have 2 years of full-time business or teaching experience (or 3,000 hours equivalent) in personal financial planning within the five year period preceding the date of the PFS application.
- ❖ The PFS Candidate must successfully pass a PFS-related exam.

The **Certified Fund Specialist® (CFS®)** designation demonstrates the advisor's expertise and commitment to understanding mutual funds - to able to evaluate and compare financial measurements and benchmarks of the funds when constructing a portfolio.

Curriculum: Students are given 12 months to complete the program, but the vast majority of the enrollees complete the materials within a couple of months. There are four requirements for certification:

- ❖ Pass three exams; each one covers two of the six modules (students can elect a three month-extension for \$40)
- ❖ Complete one open-book study (a one page set of facts based on a hypothetical client)
- ❖ Fill out a registration form and complete a student questionnaire, and
- ❖ Sign a code of ethics

Examination Requirements: Each exam is a 60 minute, 50-question, computer-administered exam - a passing score of 70% is required for each exam. Exams can only be taken sequentially, and the student needs to be notified of a passing grade before sitting for the next exam.

Exams are taken online, with a proctor (disinterested third party). There is no additional exam fee; it is included in the cost of your course tuition. If a re-take is necessary, a \$75 charge will apply.

Additional Requirements: To earn this designation, candidates must have at least 2,000 hours of work experience in the financial services industry or a bachelor's degree from an accredited college or university. The designation will not be granted until the required minimum number of hours has been fulfilled or a bachelor's degree has been granted.

Continuing Education Requirements: Designees must report 30 hours of CE every 2 years directly to IBF. Designees have a wide range of topics and methods to choose from (e.g., attending seminars, reading books, completing other courses, teaching, writing articles, etc.). Also, each year designees must remit a \$100 annual renewal fee.

The Chartered Financial Consultant® (ChFC) designation program focuses on the comprehensive financial planning process as an organized way to collect and analyze information on a client's total financial situation; to identify and establish specific financial goals; and to formulate, implement, and monitor a comprehensive plan to achieve those goals. The ChFC program provides financial planners and others in the financial services industry with in-depth knowledge of the skills needed to perform comprehensive financial planning for their clients. Candidates must pass an examination for the following six required courses and two elective courses to earn the ChFC designation:

Required Courses

- ❖ Financial Planning: Process and Environment
- ❖ Fundamentals of Insurance Planning
- ❖ Income Taxation
- ❖ Planning for Retirement Needs
- ❖ Investments
- ❖ Fundamentals of Estate Planning
- ❖ Financial Planning Applications

Elective Courses

- ❖ The Financial System in the Economy
- ❖ Estate Planning Applications
- ❖ Financial Decisions for Retirement

As a general rule, candidates should plan to spend 50-70 hours studying for each course. The program can be completed as quickly as a candidate desires, but most students complete their designation requirements within 15-24 months. Each exam is a two-hour, 100-question, computer-administered exam. National exams are given throughout the year at local testing centers

Candidates must meet experience requirements and ethical standards, including three years of business experience immediately preceding the date of use of the designation; an undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience and, when using formal education as qualifying experience, the remaining two years must immediately precede the date of the award.

Each designee who falls in one of the following categories must complete 30 hours of continuing education every two years. Designees who do not fall into one of these categories are exempt from CE requirements:

- ❖ Licensed insurance agent/broker/consultant
- ❖ Licensed security representative/registered investment advisor
- ❖ Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

The Chartered Life Underwriter® (CLU) designation is a professional credential for persons involved in the protection, accumulation, preservation, and distribution of the economic values of human life. The CLU program provides insights into the life insurance business, its importance to the economy, its operation and distribution systems, and its resurging importance

for safe and secure investments.

Curriculum: Candidates must pass an examination for the following five required courses and three elective courses to earn the designation:

Required Courses

- ❖ Fundamentals of Insurance Planning
- ❖ Individual Life Insurance
- ❖ Life Insurance Law
- ❖ Fundamentals of Estate Planning
- ❖ Planning for Business Owners and Professionals

Elective Courses

- ❖ Financial Planning: Process and Environment
- ❖ Individual Health Insurance
- ❖ Income Taxation
- ❖ Group Benefits
- ❖ Planning for Retirement Needs
- ❖ Investments
- ❖ Estate Planning Applications

As a general rule, candidates should plan to spend 50-70 hours studying for each course. The program can be completed as quickly as a candidate desires, but most students complete their designation requirements within 15-24 months.

Examination Requirements: Each exam is a two-hour, 100-question, computer-administered exam.

Additional Requirements: Candidates must meet experience requirements and ethical standards, including three years of business experience immediately preceding the date of use of the designation; an undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience and, when using formal education as qualifying experience, the remaining two years must immediately precede the date of the award.

Continuing Education Requirements: Each designee who falls in one of the following categories must complete 30 hours of continuing education every two years. If you do not fall into one of these categories, you are exempt from CE requirements:

- ❖ Licensed insurance agent/broker/consultant
- ❖ Licensed security representative/registered investment advisor
- ❖ Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

The **Certified Income Specialist™ (CIS™)** designation assists the advisor in helping individuals plan for retirement - chiefly how to maximize income while mitigating risk and taxes.

Curriculum: Students are given 12 months to complete the program, but the vast majority of the

enrollees complete the materials within a couple of months. There are four requirements for certification:

- ❖ Pass three exams; each one covers two of the six modules (students can elect a three month-extension for \$40)
- ❖ Complete one open-book case study (a one page set of facts based on a hypothetical client)
- ❖ Fill out a registration form and complete a student questionnaire, and
- ❖ Sign a code of ethics

Examination Requirements: Each exam is a 60 minute, 50-question, computer-administered exam - a passing score of 70% is required for each exam. Exams can only be taken sequentially, and the student needs to be notified of a passing grade before sitting for the next exam. Exams are taken online, with a proctor (disinterested third party). There is no additional exam fee; it is included in the cost of your course tuition. If a re-take is necessary, a \$75 charge will apply.

Additional Requirements: To earn this designation, candidates must have at least 2,000 hours of work experience in the financial services industry or a bachelor's degree from an accredited college or university. The designation will not be granted until the required minimum number of hours has been fulfilled or a bachelor's degree has been granted.

Continuing Education Requirements: Designees must report 30 hours of CE every 2 years directly to IBF. Designees have a wide range of topics and methods to choose from (e.g., attending seminars, reading books, completing other courses, teaching, writing articles, etc.). Also, each year designees must remit a \$100 annual renewal fee.

The **Certified Annuity Specialist® (CAS®)** designation covers all of the traditional aspects of fixed-rate and variable products; a detailed part of the materials also covers the different titling options and the estate and income tax ramifications of each.

Curriculum: Students are given 12 months to complete the program, but the vast majority of the enrollees complete the materials within a couple of months. There are four requirements for certification:

- ❖ Pass three exams; each one covers two of the six modules.
- ❖ Complete one open-book case study (a one page set of facts based on a hypothetical client)
- ❖ Fill out a registration form and complete a student questionnaire, and
- ❖ Sign a code of ethics

Examination Requirements: Each exam is a 60 minute, 50-question, computer-administered exam - a passing score of 70% is required for each exam. Exams can only be taken sequentially, and the student needs to be notified of a passing grade before sitting for the next exam. Exams are taken online, with a proctor (disinterested third party). There is no additional exam fee; it is included in the cost of your course tuition. If a re-take is necessary, a \$75 charge will apply.

Additional Requirements: To earn this designation, candidates must have at least 2,000 hours of work experience in the financial services industry or a bachelor's degree from an accredited college or university. The designation will not be granted until the required minimum number of

hours has been fulfilled or a bachelor's degree has been granted.

Continuing Education Requirements: Designees must report 30 hours of CE every 2 years directly to IBF. Designees have a wide range of topics and methods to choose from (e.g., attending seminars, reading books, completing other courses, teaching, writing articles, etc.). Also, each year designees must remit a \$100 annual renewal fee.

Disciplinary Information

David Holland has not been the subject of any legal or disciplinary event.

Other Business Activities

David D. Holland is the owner of Holland Financial, Inc. HFI is a parent holding company. Holland Insurance Services is a state licensed insurance agency and wholly owned subsidiary of HFI. The agency sells fixed annuities, life insurance, and long-term care insurance.

Holland Advisory Services is a state registered investment adviser and wholly owned subsidiary of HFI.

Holland Insurance and Holland Advisory Services are separate affiliated companies and share common ownership under HFI.

Mr. Holland is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives. Even though officers and portfolio management team members of the Company are involved in other business activities, we believe their ability to offer these other services compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney, CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial,

retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Mr. Holland is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Mr. Holland by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Holland gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Mr. Holland is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Mr. Holland has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. He has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Kalon Hoard

CRD #4182008

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1964

Formal education:

- ❖ Trine University – B.S. Electrical Engineering

Business background:

- ❖ Holland Advisory Services - CCO & President (06/05 – Present)
- ❖ Invest Financial Corporation - Registered Representative (10/03 – 06/05)
- ❖ CPA Financial Advisers, Inc. – Director of Financial Planning (07/00 – 12/03)
- ❖ Metlife Securities, Inc. - Registered Representative (05/00 – 07/00)

Professional Designations:

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.

The **Accredited Asset Management SpecialistSM (AAMS)[®]** designation is awarded by the College for Financial Planning to students who:

- ❖ successfully complete the program covering the following topics:
 - The Asset Management Process
 - Investors, Policy & Change
 - Risk, Return & Investment Performance
 - Asset Allocation & Selection
 - Investment Strategies
 - Taxation of Investment Products
 - Investment Opportunities for an Individual’s Retirement
 - Investment Considerations for Small-Business Owners
 - Deferred Compensation & Other Benefit Plans for Key Executives
 - Insurance Products for Investment Clients
 - Estate Planning for Investment Clients
 - Regulatory & Ethical Issues for the Investment Professional
- ❖ pass the final examination; and
- ❖ comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning’s review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual’s candidacy. If an individual wishes to apply for authorization to use the Marks in the future, he or she may be required to fulfill the initial designation requirements in place at the time of passing the exam.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period. Continued use of the AAMS® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AAMS® designation by:

- ❖ completing 16 hours of continuing education;
- ❖ reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and
- ❖ paying a biennial renewal fee of \$75.

The **Accredited Wealth Management AdvisorSM (AWMA)[®]** designation provides knowledge about these critical aspects of the financial services industry: asset management, allocation, and selection; investment performance and strategies; and taxation of investment products. The course also includes training in investment for retirement, strategies for small business owners, and the management of deferred compensation plans. In addition, instruction will cover insurance, estate planning, asset protection, and tax reduction issues.

The College for Financial Planning[®] awards the Accredited Wealth Management AdvisorSM designation to students who:

- ❖ successfully complete the program;
 - ❖ pass the final examination; and
 - ❖ comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct.
- Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual's candidacy. If an individual wishes to apply for authorization to use the Marks in the future, he or she may be required to fulfill the initial designation requirements in place at the time of passing the exam.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the AWMA[®] designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AWMA[®] designation by:

- ❖ completing 16 hours of continuing education;
- ❖ reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and
- ❖ paying a biennial renewal fee of \$75.

Disciplinary Information

Kalon Hoard has not been the subject of any legal or disciplinary event.

Other Business Activities

Mr. Hoard is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives.

Even though officers and portfolio management team members of the Company are involved in other business activities, we believe their ability to offer these other services compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Mr. Hoard is supervised by David Holland, Chief Executive Officer. Mr. Holland can be reached at 386.671.7526.

We supervise Mr. Hoard by requiring that he adhere to our processes and procedures as described in our firm’s Code of Ethics. We will monitor the advice that Mr. Hoard gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established

- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Mr. Hoard is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Mr. Hoard has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. He has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Scott Connor

CRD #3179952

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1968

Formal education:

- ❖ Attended Bentley College (1987-1988)
- ❖ Attended Georgia State University (1990-1992)
- ❖ Attended Edison State College (2008-2009)

Business background:

- ❖ Holland Advisory Services, Inc. – VP, Investments (02/11 – Present)
- ❖ Jackson Wealth Management – VP, Wealth Advisor (10/09-02/11)
- ❖ VALIC Financial – VP, Investment Counselor (03/09-10/09)
- ❖ Charles Schwab – VP, Investment Consultant (04/99-12/08)

Professional Designations:

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.

CFA - The Chartered Financial Analyst designation, or CFA charter, has become a respected and recognized investment credential.

To earn a CFA charter, you must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program.

The CFA Program is organized into three levels, each culminating in a six-hour exam. Completing the program takes most candidates between two and five years (there is no limit to the number of times you can take each exam), but you can take as long as you need to complete the program.

Chartered Financial Consultant - The Chartered Financial Consultant® (ChFC) designation program focuses on the comprehensive financial planning process as an organized way to collect and analyze information on a client's total financial situation; to identify and establish specific financial goals; and to formulate, implement, and monitor a comprehensive plan to achieve those goals.

The ChFC program provides financial planners and others in the financial services industry with in-depth knowledge of the skills needed to perform comprehensive financial planning for their clients. Candidates must pass an examination for the following six required courses and two elective courses to earn the ChFC designation:

Required Courses

- ❖ Financial Planning: Process and Environment
- ❖ Fundamentals of Insurance Planning
- ❖ Income Taxation
- ❖ Planning for Retirement Needs
- ❖ Investments
- ❖ Fundamentals of Estate Planning
- ❖ Financial Planning Applications

Elective Courses

- ❖ The Financial System in the Economy
- ❖ Estate Planning Applications
- ❖ Financial Decisions for Retirement

As a general rule, candidates should plan to spend 50-70 hours studying for each course. The program can be completed as quickly as a candidate desires, but most students complete their designation requirements within 15-24 months. Each exam is a two-hour, 100-question, computer-administered exam. National exams are given throughout the year at local testing centers

Candidates must meet experience requirements and ethical standards, including three years of business experience immediately preceding the date of use of the designation are required; an undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience and, when using formal education as qualifying experience, the remaining two years must immediately precede the date of the award.

Each designee who falls in one of the following categories must complete 30 hours of continuing education every two years. Designees who do not fall into one of these categories are exempt from CE requirements:

- ❖ Licensed insurance agent/broker/consultant
- ❖ Licensed security representative/registered investment advisor
- ❖ Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

Disciplinary Information

Scott Connor has not been the subject of any legal or disciplinary event.

Other Business Activities

Scott Connor is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives.

Even though he is involved in other business activities, we believe his ability to offer this service compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Scott Connor is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Mr. Connor by requiring that he adhere to our processes and procedures as described in our firm’s Code of Ethics. We will monitor the advice that Mr. Connor gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Mr. Connor is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Mr. Connor has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. He has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Angela Pinkerton

CRD #2489091

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1971

Formal education:

Ms. Pinkerton is currently attending Daytona State College.

Business background:

- ❖ Holland Advisory Services, Inc. –
(07/10 – Present)
- ❖ Wachovia Bank – (10/89-01/10)
 - Financial Relationship Counselor, AVP (2005 – 2010)
 - Financial Relationship Portfolio Manager (2001-2005)
 - Licensed Financial Specialist (1994-2001)
 - Client Services (1989-1994)

Professional Designations:

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.

Chartered Retirement Planning Counselor - The CRPC Program focuses on the pre- and post-retirement needs of individuals. The College for Financial Planning® awards the Chartered Retirement Planning CounselorSM and CRPC® designation to students who:

- ❖ successfully complete the program;
- ❖ pass the final examination; and
- ❖ comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions. Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning’s review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual’s candidacy. If an individual wishes to apply for authorization to use the Marks in the future, he or she may be required to fulfill the initial designation requirements in place at the time of passing the exam.

Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the CRPC® designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the CRPC® designation by:

- ❖ completing 16 hours of continuing education;
- ❖ reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and
- ❖ paying a biennial renewal fee of \$75.

Disciplinary Information

Angela Pinkerton has not been the subject of any legal or disciplinary event.

Other Business Activities

Ms. Pinkerton is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives.

Even though she is involved in other business activities, we believe her ability to offer this service compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Ms. Pinkerton is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Ms. Pinkerton by requiring that she adhere to our processes and procedures as described in our firm’s Code of Ethics. We will monitor the advice that Ms. Pinkerton gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Ms. Pinkerton is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Ms. Pinkerton has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. She has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Shannon McAvoy

CRD #4824140

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1982

Formal education:

Shannon McAvoy is currently attending Daytona State College.

Business background:

- ❖ Holland Advisory Services, Inc. – (09/2008 – Present)
- ❖ MetLife Financial Services – Financial Services Representative (2003- 2008)

Professional Designations:

The **Accredited Asset Management SpecialistSM (AAMS)[®]** designation is awarded by the College for Financial Planning to students who:

- ❖ successfully complete the program covering the following topics:
 - The Asset Management Process
 - Investors, Policy & Change
 - Risk, Return & Investment Performance
 - Asset Allocation & Selection
 - Investment Strategies
 - Taxation of Investment Products
 - Investment Opportunities for an Individual's Retirement
 - Investment Considerations for Small-Business Owners
 - Deferred Compensation & Other Benefit Plans for Key Executives
 - Insurance Products for Investment Clients
 - Estate Planning for Investment Clients
 - Regulatory & Ethical Issues for the Investment Professional
- ❖ pass the final examination; and
- ❖ comply with the Code of Ethics, which includes agreeing to abide by the Standards of Professional Conduct and Terms and Conditions.
- ❖ Applicants must also disclose of any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct. Conferment of the designation is contingent upon the College for Financial Planning's review of matters either self-disclosed or which are discovered by the College that are required to be disclosed.

Students must sign and return the Code of Ethics forms within six months of passing the final exam. Failure to complete and submit the forms within this time frame may result in termination of the individual's candidacy. If an individual wishes to apply for authorization to use the Marks in the future, he or she may be required to fulfill the initial designation requirements in place at

the time of passing the exam. Successful students receive a certificate and are granted the right to use the designation on correspondence and business cards for a two-year period.

Continued use of the AAMS[®] designation is subject to ongoing renewal requirements. Every two years individuals must renew their right to continue using the AAMS[®] designation by:

- ❖ completing 16 hours of continuing education;
- ❖ reaffirming to abide by the Standards of Professional Conduct, Terms and Conditions, and self disclose any criminal, civil, self-regulatory organization, or governmental agency inquiry, investigation, or proceeding relating to their professional or business conduct; and
- ❖ paying a biennial renewal fee of \$75.

Disciplinary Information

Shannon McAvoy has not been the subject of any legal or disciplinary event.

Other Business Activities

Ms. McAvoy is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives.

Even though she is involved in other business activities, we believe her ability to offer this service compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can

eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Shannon McAvoy is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Ms. McAvoy by requiring that she adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Ms. McAvoy gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Ms. McAvoy is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Ms. McAvoy has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. She has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Jerold Foehl

CRD #5228957

3939 M-72 E, Suite 121

Williamsburg, MI 49690

Year of birth: 1947

Formal education:

- ❖ Western Michigan University – Bachelor of Business Administration (1970)
- ❖ Central Michigan University - Graduate studies leading toward a Master of Science in Administration (1980-1983)

Business background:

- ❖ Holland Advisory Services – Investment Adviser Representative (2008 – Present)
- ❖ Brookstone Capital Management – Investment Adviser Representative (2006 – Present)
- ❖ Bankers Life & Casualty Company – Sales Representative (1999 – 2006)

Disciplinary Information

Jerold Foehl has not been the subject of any legal or disciplinary event.

Other Business Activities

Mr. Foehl is also an advisory representative of Brookstone Capital Management, a registered investment adviser.

Additional Compensation

Mr. Foehl may receive compensation for advice provided as a representative of Brookstone Capital Management. As his compensation may differ depending upon the adviser he represents, the incentive is to recommend that clients invest in a manner that would result in greater compensation to himself. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates

incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Mr. Foehl is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Mr. Foehl by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Foehl gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Mr. Foehl is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Mr. Foehl has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. He has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Melissa Forbes

CRD #5660846

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1955

Formal education:

Ms. Forbes has no formal education after high school.

Business background:

- ❖ Holland Advisory Services, Inc. – Client Services Manager (09/2003 – Present)
- ❖ Dixie Union – Sales Representative (02/2003 – 08/2003)
- ❖ Digital Traffic – Asst Program Manager (2000 – 2003)

Professional Designations:

The **Certified Annuity Specialist® (CAS®)** designation covers all of the traditional aspects of fixed-rate and variable products; a detailed part of the materials also covers the different titling options and the estate and income tax ramifications of each.

Curriculum: Students are given 12 months to complete the program, but the vast majority of the enrollees complete the materials within a couple of months. There are four requirements for certification:

- ❖ Pass three exams; each one covers two of the six modules.
- ❖ Complete one open-book case study (a one page set of facts based on a hypothetical client)
- ❖ Fill out a registration form and complete a student questionnaire, and
- ❖ Sign a code of ethics

Examination Requirements: Each exam is a 60 minute, 50-question, computer-administered exam - a passing score of 70% is required for each exam. Exams can only be taken sequentially, and the student needs to be notified of a passing grade before sitting for the next exam.

Exams are taken online, with a proctor (disinterested third party). There is no additional exam fee; it is included in the cost of your course tuition. If a re-take is necessary, a \$75 charge will apply.

Additional Requirements: To earn this designation, candidates must have at least 2,000 hours of work experience in the financial services industry or a bachelor's degree from an accredited college or university. The designation will not be granted until the required minimum number of hours has been fulfilled or a bachelor's degree has been granted.

Continuing Education Requirements: Designees must report 30 hours of CE every 2 years directly to IBF. Designees have a wide range of topics and methods to choose from (e.g.,

attending seminars, reading books, completing other courses, teaching, writing articles, etc.). Also, each year designees must remit a \$100 annual renewal fee.

Disciplinary Information

Melissa Forbes has not been the subject of any legal or disciplinary event.

Other Business Activities

Ms. Forbes is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives.

Even though she is involved in other business activities, we believe her ability to offer this service compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Melissa Forbes is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Ms. Forbes by requiring that she adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Ms. Forbes gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Ms. Forbes is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Ms. Forbes has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. She has also not been the subject of a bankruptcy petition.

Educational Background and Business Experience

Hady LaGrotta

CRD #5621461

700 West Granada Blvd.
Ormond Beach, FL 32174

Year of birth: 1965

Formal education:

Ms. LaGrotta has no formal education after high school.

Business background:

- ❖ Holland Advisory Services, Inc. – V.P. Planning (01/2008 – Present)
- ❖ Castle Group – Assistant (09/2007 – 01/2008)
- ❖ Macro Transport – Freight Broker (04/2007 – 09/2007)
- ❖ Castle Group – Assistant (08/2006 – 04/2007)
- ❖ Coast Title – Closing Agent (06/2005 – 08/2006)
- ❖ AO Precision – Contract Administrator (1999- 06/2005)

Professional Designations:

The **Certified Annuity Specialist® (CAS®)** designation covers all of the traditional aspects of fixed-rate and variable products; a detailed part of the materials also covers the different titling options and the estate and income tax ramifications of each.

Curriculum: Students are given 12 months to complete the program, but the vast majority of the enrollees complete the materials within a couple of months. There are four requirements for certification:

- ❖ Pass three exams; each one covers two of the six modules.
- ❖ Complete one open-book case study (a one page set of facts based on a hypothetical client)
- ❖ Fill out a registration form and complete a student questionnaire, and
- ❖ Sign a code of ethics

Examination Requirements: Each exam is a 60 minute, 50-question, computer-administered exam - a passing score of 70% is required for each exam. Exams can only be taken sequentially, and the student needs to be notified of a passing grade before sitting for the next exam. Exams are taken online, with a proctor (disinterested third party). There is no additional exam fee; it is included in the cost of your course tuition. If a re-take is necessary, a \$75 charge will apply.

Additional Requirements: To earn this designation, candidates must have at least 2,000 hours of work experience in the financial services industry or a bachelor's degree from an accredited college or university. The designation will not be granted until the required minimum number of hours has been fulfilled or a bachelor's degree has been granted.

Continuing Education Requirements: Designees must report 30 hours of CE every 2 years directly to IBF. Designees have a wide range of topics and methods to choose from (e.g., attending seminars, reading books, completing other courses, teaching, writing articles, etc.). Also, each year designees must remit a \$100 annual renewal fee.

The **Certified Income Specialist™ (CIS™)** designation assists the advisor in helping individuals plan for retirement - chiefly how to maximize income while mitigating risk and taxes.

Curriculum: Students are given 12 months to complete the program, but the vast majority of the enrollees complete the materials within a couple of months. There are four requirements for certification:

- ❖ Pass three exams; each one covers two of the six modules (students can elect a three month-extension for \$40)
- ❖ Complete one open-book case study (a one page set of facts based on a hypothetical client)
- ❖ Fill out a registration form and complete a student questionnaire, and
- ❖ Sign a code of ethics

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Disciplinary Information

Hady LaGrotta has not been the subject of any legal or disciplinary event.

Other Business Activities

Ms. LaGrotta is licensed to sell various insurance products to clients through various affiliated insurance agencies as part of a full range of financial services offered by these representatives.

Even though she is involved in other business activities, we believe her ability to offer this service compliments the advisory practices of the Company and that it offsets any inherent risks to the advisory client.

Any conflicting interest that may present itself during our advisory service will be fully disclosed to the client prior to performing such advisory service. For more information, on what we have predetermined to be a conflict of interest, please refer to the “Other Financial Industry Activities and Affiliations” section of this brochure.

Additional Compensation

Clients are cautioned to consider their options carefully when Investment Adviser Representatives (“IARs”) of the Company recommend the purchase of any insurance products (including annuities) when the IAR is also a commissioned representative – there is a potential conflict of interest. The incentive on the part of the Company and IAR is to recommend only those products in which they will receive a commission. Consequently, the objectivity of the advice rendered could be subjective and disadvantage the client.

There are also potential conflicts of interest when the Company and its IARs suggest the need for outside consultations and coordination (i.e., attorney CPAs) to implement certain aspects of an estate, retirement or tax plan. A similar conflict exists when the Company recommends broker-dealers for execution and custody services. Even though the Company does not share in any fees earned by the attorneys, CPAs, or broker-dealers when implementing an estate, financial, retirement or tax plan, those entities to which the Company refers business do. This creates incentive on the part of the Company and the IAR to refer client business to only those entities that, in turn, refer potential clients or provide products or services to the Company. This can eliminate the possibility for the client to be referred to someone who may provide such services at lower cost.

Supervision

Hady LaGrotta is supervised by Kalon Hoard, Chief Compliance Officer. Mr. Hoard can be reached at 386.671.7526.

We supervise Ms. LaGrotta by requiring that she adhere to our processes and procedures as described in our firm’s Code of Ethics. We will monitor the advice that Ms. LaGrotta gives to you by performing the following reviews:

- ❖ A review of relevant account opening documentation when the relationship is established
- ❖ A daily review of account transactions,
- ❖ Review custodial information on a quarterly basis to assess account activity,
- ❖ Perform annual oversight so that Ms. LaGrotta is aware of your current financial situation, objectives, and individual investment needs
- ❖ A review of client correspondence on a monthly basis.

Requirements for State-Registered Advisers

Ms. LaGrotta has not been involved in any arbitration alleging damages in excess of \$2,500 or found liable in a civil, self-regulatory organization, or administrative proceeding. She has also not been the subject of a bankruptcy petition.