



Investment Programs LLC

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Important Disclosure: Pursuant to section 203 of the Investment Advisors Act of 1940 ("Act") shall, in accordance with the provisions of this section, furnish each advisory client and prospective advisory client with a narrative brochure which complies with §275.204-1(c) under the Act with information that satisfies the requirements of Part 2A of Form ADV. This document is provided to interested parties in compliance with this requirement. This information has not been approved or verified by any state or federal government authority.

Document dated 3/31/2012 — Page One of Five

Item 1 — Advisory Services and Fees . . .

Investment Programs LLC ("IP") is an SEC registered internet investment adviser relying on rule 203A-2(f) under the Investment Advisors Act of 1940. Under rule 203A-2(f), an adviser is exempt from the prohibition on SEC registration if the adviser provides investment advice to all of its Clients exclusively through an interactive website. A limited exception, however, permits an adviser relying on the rule to provide investment advice to fewer than 15 Clients through other means during the preceding 12 months.

IP provides investment supervisory services (100% of IP's advisory services) to Clients exclusively through an "interactive website," except as permitted by the de-minimis exception described below. The rule defines "interactive website" as a website in which computer software-based models or applications provide investment advice to Clients based on personal information provided by each Client through the website. Rule 203A-2(f) includes an exception that permits an adviser relying on the rule to advise Clients through means other than its interactive website, so long as the adviser had fewer than 15 of these non-Internet Clients during the preceding 12 months.

IP services are exclusive to investment advisory and IP does not engage in any form of financial planning, either directly or indirectly. Fees are based upon a percentage of assets under management (as further described below). Currently IP offers one program via the Internet with a monthly management fee of 0.05% or 0.60% annually. IP reserves the right to charge for additional requested services (beyond the scope of IP's normal services) using an hourly scale, generally at the rate of \$240.00 per hour.

For services permitted by the de-minimis exception described above, IP offers a variety of management programs, from a variety of objective mathematical models, individually packaged for each Client, which factor suitability issues such as risk tolerance. Management fees are 0.10% monthly or 1.20% annually.

For convenience to both parties, clients authorize IP to have monthly fees paid directly from the client's mutual fund accounts in the specific IP management service. A separate authorization by the client is required by the mutual fund companies involved. IP will advise the client via email of each monthly deduction in a timely manner. IP will not provide a separate fee statement, as such fee deduction will be posted on the mutual fund's Internet website and listed on printed statements sent to the Client.

Item 2 — Types of Clients . . .

IP's services are aimed to serve the long-term element of portfolios for tax-qualified investors and fiduciaries for tax-qualified investors, including high net worth individuals, pension and profit sharing plans, trusts, charitable organizations, corporations and other business entities.

Prior to engaging IP to provide investment advisory services, the Client will be required to enter into a discretionary Investment Advisory Agreement (limited to purchases and sales of specific securities and amount of securities to be bought or sold) with IP setting forth the terms and conditions of the engagement, describing the scope of the services to be provided and the IP program selected.

As described above, fees are paid monthly in arrears. In the event the management client terminates IP's services, the client shall be assessed a termination fee. Clients must provide IP with adequate notice that they wish to terminate their advisory agreement with IP. In most cases, this requires thirty (30) days written notice (email notification by the Client to IP is preferred).

In performing its services, IP shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Each client is advised that it remains his/her/its responsibility to promptly notify IP if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising IP's previous recommendations and/or services.

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Document dated 3/31/2012 for Investment Programs LLC — Page Two of Five

Items 3 & 4 — Types of Investments & Methods, Sources & Strategies used in IP's Management Services . . .

LEVERAGED MOMENTUM MODEL—MAJOR TREND TRACKER (LMM-MTT)

The LMM-MTT, hereafter called MTT, is for tax-qualified and non-tax-qualified investors whose objective is to increase the overall rate of return on their overall investment portfolio, via a split strategy with one-half focused on the S&P 500 Stock Index (representing the U.S. and global stock markets) and the other half employed in a hedging strategy using the U.S. Dollar Index (USD), through the tactical use of the exchange privilege made available to investors by mutual fund or electronically traded fund companies. All exchanges will be made within the same fund family. Exchanges will be made according to the strategy employed by IP for its own accounts in MTT and/or for other MTT clients, and without advance notice to the Client.

MTT is based on an objective, mathematical approach to the financial and currency markets. Its secondary objective is to provide a superior return, both in absolute and risk-adjusted terms to its combined benchmark, the S&P 500 and USD, over a full market cycle, which includes both a rising (or bull) market and a declining (or bear) market in the U.S Dollar Index price trends.

Specifically, for risk-related allocations MTT employs various leveraged Rydex index mutual funds. These funds focus on achieving their beta relationships relative to their market index, and are not actively managed to reduce risk. See the prospectus for each fund for more information and important disclosure statements.

With the use of leveraged funds, maximum exposure for MTT is 200% with 100% to the S&P 500 and 100% (via 50% of the investment portfolio) to USD. These index funds are more volatile than their benchmark index. IP will employ defensive, money market type funds as part of MTT, but its strategy can involve a higher degree of risk with the application of leveraged mutual funds with inverse correlations (for the USD).

There is no guarantee that MTT's objectives can be achieved or that risk management strategies will guarantee against a substantial loss.

As part of MTT, IP will provide the following services:

- (a.) Inclusion to the exact strategies and methods employed by IP for its own accounts and/or other MTT clients
- (b.) Execution of exchanges and other transactions between aggressive and defensive index-type mutual funds and/or electronically traded funds.
- (c.) Coordination of additions or withdrawals to the Client's mutual fund and/or electronically traded fund account(s)
- (d.) Periodic reporting via the IP's Internet website.
- (e.) In addition, the mutual fund company will offer daily account reporting via its website and mail printed reports quarterly.

FEE SCHEDULE

(a) The Client agrees to pay IP a fee for its services rendered herein when billed at the beginning of the month following the effective date of the Agreement and monthly thereafter in arrears. The monthly fee will be based on the total market value of the Client's investment accounts in USD using the closing net asset values published for the end of the month immediately prior to the billing date. At the initiation of this Agreement, no pro-rated billing will be assessed. At the time of termination of this Agreement, a termination charge equal to one-month's management fee will be paid to IP regardless of the date within the month the termination becomes effective.

(b) IP's compensation for its services shall be calculated and paid in accordance with the following schedule of fees, which may be amended from time to time by the Manager upon thirty (30) days written notice.

Net Market Value	Monthly %	Annual %
all amounts in LMM-MTT	0.05	0.60

LMM-MTT follows the minimum investment requirements established by the mutual fund companies employed by MTT, generally \$25,000 (Twenty-Five Thousand Dollars).

For convenience to both parties, the Client hereby authorizes IP to have monthly fees paid directly from the Client's mutual fund/electronically traded fund accounts in MTT on the first business day of each month or on a date that is in the best overall interests of MTT. A separate authorization by the Client is required by the mutual fund or brokerage companies involved. IP will advise the Client via email of each monthly deduction in a timely manner, but will not provide a separate fee statement. Fee deductions will be posted to the Client's account and available on the fund's Internet website and listed on printed statements sent to the Client.

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Document dated 3/31/2012 for Investment Programs LLC — Page Three of Five

GENERAL INFORMATION CONCERNING FEES

In certain circumstances, advisory fees and account minimums may be negotiable based upon prior relationships as well as related account holdings. The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory Client.

All fees paid to IP for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and electronically traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses and a possible distribution fee.

A Client could directly invest in a mutual fund or electronically traded fund, without the services of IP. In that case, the Client would not receive the services provided by IP which are designed, among other things, to assist the Client in determining which mutual fund(s) or electronically traded fund(s) is/are most appropriate to the Client's financial condition and objectives. Accordingly, Clients should review both the fees charged by the funds and the fees charged by IP to fully understand the total amount of fees to be paid by the Clients and to thereby evaluate the advisory services being provided.

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IP may enter into service agreements with mutual fund companies or exchange traded fund companies whereby IP will be paid a fee for administrative services provided to the Client on behalf of said mutual fund company. Services include but are not limited to establishing and maintaining accounts, arranging for bank wires, assisting with changes to account information, etc. The Client will not incur any additional ownership expense in the mutual fund or exchange trade fund companies in the event that IP has entered into said service agreement.

IP's fees and other charges may be higher (or lower) than that charged by other advisors for similar services.

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Items 5 & 6 — Education and Business Standards & Business Background . . .

IP does not have educational requirements for personnel as all mathematical models used in IP's management services are provided by ISI, as described in Items 3 & 4. Here's a brief bio for IP's President and CCO.

Richard L. Sabby, Born: 1948

Educational Background:

CFP® degree from College for Financial Planning, Greenwood, CO (1981)

BBA degree from Spencerian College, Milwaukee, WI (1971).

Business Background:

Investment Programs LLC – President, Chief Compliance Officer and Managing Member 7/05–Present

Investment Strategies, Inc. – President 10/1981–Present

Raymond James & Associates, Branch Manager, Registered Securities Principal, 5/80–9/81

Boettcher & Company, Registered Representative (Series 7), 6/78–4/80

Item 7 — Other Business Activities . . .

Richard L. Sabby is an educational public speaker on investment topics. He does not provide investment advice during his speeches or otherwise, outside the de-minimis exception afforded to IP by rule 203A-2(f) under the Investment Advisers Act of 1940.

Mr. Sabby is also the President of Investment Strategies, Inc. an economic modeling firm.

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Document dated 3/31/2012 for Investment Programs LLC — Page Four of Five

Item 8 — Other Financial Industry Activities or Affiliations . . .

IP's CEO, Richard Sabby, maintains a completely independent status and thus has no affiliations with any other type of financial entity, including but not limited to broker-dealers, insurance companies, financial planning firms, law or accounting firms, etc. In addition, all related parties to IP or Mr. Sabby have no relationships with any type of financial entity described above.

Item 9 — Participation or Interest in Client Transactions . . .

None of IP's personnel or any related person act in any of the following activities:

- A. As principal, buys securities for itself from or sells securities it owns to any client
- B. As broker or agent effects securities transactions for compensation for any client
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer
- D. Recommends to clients that they buy or sell securities or investment products in which IP or any related person has some financial interest

IP's personnel can and do participate in the same management services that IP offers to clients, which relates to Item 9E. As such, IP personnel are treated in the same manner as all other clients in the same service and without any type of advantage or disadvantage. Accounts for IP personnel are governed by an implemented investment policy relative to personal securities transactions.

This investment policy is part of IP's overall Code of Ethics which serves to establish a standard of business conduct for all of IP's Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

Investment Policy

None of IP's advisory representatives may effect for himself or herself or for his or her immediate family (i.e. spouse, minor children) (collectively "Covered Persons") any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of IP's Clients, unless in accordance with the following Firm Procedures.

Firm Procedures

In order to implement IP's Investment Policy, the following procedures have been put into place with respect to IP and its Covered Persons:

- (1) If IP is purchasing or considering for purchase any security on behalf of IP's Client, no Covered Persons may transact in that security prior to the Client purchase having been completed by IP, or until a decision has been made not to purchase the security on behalf of the Client; and
- (2) If IP is selling or considering the sale of any security on behalf of IP's Client, no Covered Persons may transact in that security prior to the sale on behalf of the Client having been completed by IP, or until a decision has been made not to sell the security on behalf of the Client.

Exceptions

- (1) This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of IP's Client's trade in sufficiently broad markets to permit transactions to be completed without any appreciable impact on the markets of the securities. Under certain circumstances exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with IP's records.
- (2) Open-end mutual funds and exchange traded funds are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or exchange funds by Covered Persons are not likely to have an impact on the prices of the fund shares in which Clients invest, and are therefore not prohibited by IP's Investment Policy and Procedures.

In accordance with Section 204A of the Investment Advisers Act of 1940, IP also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by IP or any person associated with IP.

Item 10 — Conditions for Managing Accounts . . .

Generally, IP does not require an initial minimum investment, but does adhere to SEC guidelines and various state regulations, if applicable. IP will also follow any minimum account requirements established by mutual funds and/or exchange-traded brokerage firms utilized by IP.

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Document dated 3/31/2012 for Investment Programs LLC — Page Five of Five

Item 11 — Review of Accounts . . .

Richard L. Sabby, President and Chief Compliance Officer of Investment Programs LLC, will review all advisory programs and accounts, and perform tactical allocation adjustments in any applicable program, on a daily basis.

Confirmations will be sent to clients after each transaction at the client's election or received in their quarterly summary. Statements are sent quarterly to clients which show the total account value, change in the same and the previous quarter's account value. More frequent statements may be viewed by clients online. Account fees (advisory fees and other charges, not including mutual fund expenses) and transactions will be reflected in quarterly statements. Statements will be sent to clients by the broker-dealer and/or account custodian.

Item 12 — Investment or Brokerage Discretion . . .

As indicated in Item 1, IP has discretion to select the particular securities to be purchased and sold as well the amount of securities to be purchased or sold within client accounts. This discretion is granted to IP by the clients by signing IP's advisory agreement.

IP only utilizes Rydex no-load or load waived mutual funds and electronically traded funds available through Guggenheim LLC, an investment firm currently managing over \$120 billion dollars via an extensive list of index-type mutual funds and exchange traded products. In selecting Rydex funds, IP considered the full range of Rydex's services including the value of beta-tracking, execution capability, internal expense ratios, and customer service. No research services are provided by Rydex to IP.

Proxy Voting Policy. IP does not vote Client proxies. The Client shall be responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the assets.

Item 13 — Additional Compensation . . .

IP does not, directly or indirectly, compensate any person for client referrals.

IP may enter into service agreements with mutual fund companies or exchange traded fund companies whereby IP will be paid a fee for administrative services provided to the CLIENT on behalf of said mutual fund company. Services include but are not limited to establishing and maintaining accounts, arranging for bank wires, assisting with changes to account information, etc. The client does not incur any additional ownership expense in the mutual fund or exchange trade fund companies in the event that IP has entered into said service agreement

Item 14 — Balance Sheet . . .

IP must provide a balance sheet for the most recent fiscal year if any of the following conditions are met:

- A. If IP has custody of client funds or securities — IP does not maintain custody in any form
- B. Requires prepayment of more than \$500 in fees per client and 6 or months in advance — IP's fees are billed arrears

Miscellaneous Disclosures . . .

Investment Strategies, Inc., the owner of the mathematical models employed by IP, was granted registration as an investment advisor by the Securities & Exchange Commission (SEC) in March 1982, and conducted an investment management business as a registered investment advisor until January 2002. Investment Programs LLC ("IP") was granted registration as a federally covered investment advisor by the Securities & Exchange Commission on September 30, 2005. A contractual relationship exists between Investment Strategies, Inc. and Investment Programs LLC which provides the ongoing strategy for the four advisory services offered by IP. The same principals founded and are employed by both firms.

Mutual funds charge a management fee which is reflected in the daily net asset value per share. IP charges a fee as a percentage of the assets of each individual account under management. There is no relationship between the fees paid to the mutual fund and the fees charged by IP.