



This brochure provides information about MGM, LLC's ("MGM") qualifications and business practices. If you have any questions about the contents of this brochure, please contact us at (505) 346-3434 or by email via their website at www.mgm-llc.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any State Securities Authority.

Additional information about MGM, LLC is also available at the SEC's website www.adviserinfo.sec.gov (select "investment adviser firm" and type in our Firm name).

We are a Registered Investment Advisor (RIA) Firm. Our registration as an RIA does not imply any level of skill or training. The oral and written communications we provide to you, including this brochure, are for you to evaluate us. Please use this information as factors in your decision to hire us or to continue our business relationship.

ITEM 1 – COVER PAGE FORM ADV PART 2 A

MARCH 28, 2012

MGM, LLC
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ITEM 2 – MATERIAL CHANGES

This brochure, dated March 28, 2012, has been prepared by MGM to meet new SEC requirements. This section of the brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) www.adviserinfo.sec.gov.

We may, at any time, update this brochure and then either send you a copy or offer to send you a copy (either by email or in hard copy form). At minimum, a new brochure will be offered within 120 days of the close of each fiscal year.

Since our 2011 annual offering, the following changes have been made:

- Item 4.e: Assets under management have been updated
- Item 5.c: Senior Resource Center fees have been adjusted.

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ITEM 4 – ADVISORY BUSINESS

4a: Firm Description

MGM, LLC was established in 1993 by James F. MacGillivray, CFP®, David C. Grosjean, CLU, ChFC, CSA, Managing Member and Mary O. Mahoney, CFP®, Managing Member and became a Registered Investment Advisor in August 2005. The firm's main office is located in Albuquerque, New Mexico.

4a1: Principal Members

- Christopher K. Hicks, Managing Member
- Mary O. Mahoney, CFP®, Managing Member
- Michael D. Cook, CFP®, Member
- Todd K. Sakoda, Chief Compliance Officer

Any of these members may be reached via the contact information found on the cover page of this document.

4b: Types of Advisory Services

MGM offers a wide range of Client Advisory Services. Advice and Services are tailored to the stated objectives of each Client. All transactions in the account shall be made in accordance with the directions and preferences provided by the Client to the Advisor.

Client services include:

- Investment Planning
- Investment Policy Statements
- Retirement and Financial Independence Planning
- Capital Needs Analysis
- Income Tax Planning
- Estate Planning
- Education Planning
- Risk Management

4c: Client Tailored Relationships and Restrictions

MGM always acts in the client's best interests. Every portfolio is customized based on your investment objectives. You may make requests or suggestions regarding your portfolio, however we will not act on suggestions that we believe are not in your best interest.

4d: Wrap Fee Program

MGM does not sponsor a wrap fee program.

4e: Assets under Management (AUM)

MGM, as of January 1, 2012, has \$91,358,121 in discretionary reportable Assets under Management and \$195,091 in non-discretionary reportable Assets under Management for a total of \$91,553,212.

ITEM 5 – FEES AND COMPENSATION

5a: Tiered Fee Schedule

Assets Under Management	Annual Fee (%)
Less than \$100,000	1.95%
\$100,001 to \$250,000	1.75%
\$250,001 to \$500,000	1.50%
\$500,001 to \$1,000,000	1.25%
\$1,000,001 to \$3,000,000	1.00%
\$3,000,001 to \$5,000,000	0.75%
\$5,000,001 and above	0.50%

The above fees are subject to a minimum quarterly fee of \$500.00 at the household level and may be negotiable in special circumstances.

Compensation to MGM for its services will be calculated in accordance with our Wealth Management Agreement, which may be amended from time to time by Advisor upon thirty (30) days prior written notice to Client.

For California Residents: Subsection (j) of Rule 260.238, California Code of Regulations requires that all investment Advisors disclose to their Clients that lower fees for comparable services may be available from other sources. Pursuant to California Rule 260.235.2, a conflict exists between the interests of the Advisor or its associated persons and the interest of the Client; the Client is under no obligation to act upon this Advisor's or associated person's recommendations. If the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through the Advisor or its associated person when the person is an agent with a licensed broker-dealer or through any associate or affiliate of such person.

5b: Selection of Other Advisors' Fees

MGM does not select other advisors.

5c: Financial Planning Fees

In addition to the Client Investment Advisory Services previously noted, MGM provides financial planning services as noted below:

- Assessment of Client's Stated Financial Goals
- Retirement Analysis
- Educational Funding Analysis
- Estate Planning
- Review and Update of Client's Financial Plan
- Senior Resource Services

Financial planning clients enter into an Advisory Services Agreement with MGM. Fees for planning services are based on an hourly rate of \$200.00 plus New Mexico gross receipts tax. Advisors will also perform certain financial planning projects on a fixed fee basis.

Senior Resource Service fees are based on an hourly rate of \$100.00 plus New Mexico gross receipts tax.

All invoices are due within ten (10) days of invoice. Special arrangements may be made with Clients who want to retain financial planning services on an ongoing basis.

Along with the meeting and information provided to financial planning clients, the fees also include the time and activities necessary to work with client's attorney, accountant or other professional in reaching agreement on solutions, as well as assisting the Advisors in implementation of all appropriate documents. The Advisor is not responsible for attorney, accountant or other professional fees charged to client as a result of the above activities.

MGM will prepare a written financial plan for all financial planning clients. Preparation of the plan will include gathering all information necessary to provide our client with appropriate and agreed upon services, which may include one or more of the following:

- Budgeting and Cash Flow Planning
- Disability and Income Protection
- Debt Management
- Estate Planning
- Business Succession Planning
- Retirement Planning
- Investment Planning

The plan considers all client assets, liabilities, goals and objectives. Since individual or financial circumstances can change, clients are encouraged to review their plans with Advisor regularly.

Senior Resource clients receive additional materials such as listings for:

- Eldercare Attorneys
- Geriatric Care Managers
- Home Health Care Providers
- Nursing Homes

Information and assistance with such matters as Medicaid applications are also provided.

For California Residents: Financial Planning includes, in all or part, but is not limited to, the preparation of a financial plan by an Investment Advisor or an associated person of an Investment Advisor for an investment advisory client which may include a state or tax planning recommendation, an annual or periodic review of a financial plan, the management and/or monitoring of a client's investments under a financial plan, a provision of information and/or advice to a client regarding the purchase and/or sale of securities, real estate, insurance contracts, annuities contracts, or any types of real or personal property under a financial plan.

5d: Fee Payment Options

Investment Management Fees

Our fees are paid from your account by the custodian when we submit an invoice to them. The invoice we submit shows the amount of fees, the value of your assets on which the fees are based, and the specific manner in which the fees are calculated. If there is insufficient cash in your account, securities may be sold. In addition to our fees, there may be custodial, mutual fund or similar third party management fees and charges.

Our fees are paid quarterly in advance, with payment due within 10 days from the date of the invoice. Our fee is determined by taking the percentage rate we charge, times the market value of the account, divided by the number of days in the year and multiplied by the number of days in the quarter. Our fee is subject to a minimum quarterly amount of \$500.00 at the household level. The market value is the sum of the values of all assets in the account, not adjusted by any margin debit. Fees for partial quarters at the commencement or termination of Wealth Management Agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the quarter.

Financial Planning Fees

Hourly financial planning fees are paid upon completion of the project.

Fixed fees are paid prior to work beginning or based on a mutually agreeable payment schedule. Fees will not be billed more than six months in advance.

All financial planning invoices are due within ten (10) days of invoice. Special arrangements may be made with Clients wishing ongoing financial planning services.

For California Residents: Financial Planning includes, in all or part, but is not limited to, the preparation of a financial plan by an Investment Advisor or an associated person of an Investment Advisor for an investment advisory client which may include a state or tax planning recommendation, an annual or periodic review of a financial plan, the management and/or monitoring of a client's investments under a financial plan, a provision of information and/or advice to a client regarding the purchase and/or sale of securities, real estate, insurance contracts, annuities contracts, or any types of real or personal property under a financial plan.

5.d.1: Termination

MGM or our clients can terminate our agreement upon receipt of written notice to the other party.

When an agreement is terminated, we will refund any pre-paid, unearned wealth management fees based on the number of days remaining in the quarter after termination. Refunds will be made within 30 calendar days of the effective date of termination.

When an agreement is terminated, all assets may need to be transferred from the current custodian. You will be responsible for paying all fees including full quarterly custodial administrative fees, account closure fees, mutual fund fees and all trading costs due to the termination. Custodian may assess additional fees for transfer of

illiquid investments. If there is insufficient cash in the account, the liquidation of some securities may be used to pay the fees. Prior to termination of an agreement, we can provide a good-faith estimate of these fees.

5e: Third Party Fees

Clients are responsible for the payment of all third party fees (i.e. custodian fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees charged by Advisor.

All brokerage commissions, stock transfer fees, and other similar charges incurred in connection with transactions for the account will be paid out of the assets in the account and are in addition to the investment management fees paid to Advisor. The Client bears responsibility for verifying the accuracy of fee calculations.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client's account.

ITEM 7 – TYPES OF CLIENTS

We generally provide asset management and financial planning services to the following types of clients:

- Individuals
- High-Net-Worth Individuals
- Pension and Profit Sharing Plans
- Trusts, Estates, Foundations and/or Charitable Organizations
- Corporations

Minimum Account Size

There is no account minimum. However, the Advisor may decline to accept Clients with smaller portfolios.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

8a: Analysis

MGM uses multiple sources of information to obtain analysis and strategies. These include sources such as financial newspapers, financial magazines, research prepared by others, corporate rating services, prospectuses, company press releases, annual reports and filings with the SEC.

8b: Investment Strategies

MGM's investment committee begins the process using *Modern Portfolio Theory* to develop a series of model portfolios. *Modern Portfolio Theory* refers to the process of creating portfolios comprised of a variety of asset classes. The volatility risk of models ranges from conservative to moderately aggressive as measured by standard deviation. After developing the models, the next step is selecting and placing specific securities in their respective asset classes. Included among the securities chosen are mutual funds, exchange-traded funds, closed ended funds, stocks, and bonds. Mutual funds are selected using MGM proprietary Principia filters to identify ones within Morningstar categories that have demonstrated superior performance. Analysis of Market performance takes into consideration how a fund has performed during past market cycles similar to the present cycle and expected near term future performance as the cycle proceeds. Specific areas of the market such as real estate or precious metals are targeted using exchange-traded and closed-ended funds. In addition to performance comparisons, subjective judgment is included regarding how well MGM believes a given security will serve in addressing existing and future opportunities or concerns of the investment committee. Stock research begins with reviewing the board of directors to seek an understanding of the character of the board members. When available, the published statements concerning company values and policies for managing conflicts of interest are considered. MGM uses Value Line Investment Analyzer and Dow Theory Quadrix along with many other resources to evaluate financial information.

8c: Risk of Loss

All investments include a risk of loss. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. MGM will use our best efforts and expertise to manage your assets. However, MGM cannot guarantee any level of performance or that you will not experience financial loss.

ITEM 9 – DISCIPLINARY INFORMATION

We do not have any legal, financial or other “disciplinary” items to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating our Firm and its employees.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

10a: Broker Dealers and Registered Representatives

Neither MGM nor our employees have any relationships or possible conflicts of interest as it relates to this advisory business.

10b: Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor

Neither MGM nor its employees hold any of the above registrations.

10c: Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests

The principal business of MGM is that of a registered investment advisor and provider of financial planning services. Some of the principals and associated persons of the firm may be licensed as insurance agents and consultants. When acting in the capacity of an insurance agent, the Advisor and related persons may receive the usual and customary commissions or fees on the insurance products the Client purchases. Receiving commissions on insurance products may cause a conflict of interest. Therefore, the advisory Client is free to select any insurance company the Client desires for implementation of Advisor's insurance recommendations.

10d: Selection of Other Advisors or Managers and How this Advisor is Compensated for those Selections

MGM does not select other advisors.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

11a: Code of Ethics Description

At MGM, we have adopted a Code of Ethics that governs a number of potential conflicts of interest we have when providing our advisory services to you. This Code of Ethics is designed to ensure we meet our fiduciary obligation to you and to stress the importance of a culture of compliance within our firm. An additional benefit of our Code of Ethics is to detect and prevent violations of securities laws, including our obligations we owe to you.

Our Code of Ethics is comprehensive, is distributed to each employee at the time of hire, and annually thereafter (if there are changes). We also supplement the Code of Ethics with annual training and on-going monitoring of employee activity. A complete copy of our Code of Ethics will be supplied to you, free of charge, if you request it.

Our Code of Ethics includes the following:

- Requirements related to the confidentiality of your personal, business and financial information
- Prohibitions on insider trading (if we are in possession of material, non-public information)
- Reporting of gifts and business entertainment
- Pre-clearance of employee and firm transactions
- Reporting (on an on-going and quarterly basis) all personal securities transactions (what we call “reportable securities” as mandated by regulation)
- On an annual basis, we require all employees to re-certify to our Code of Ethics, identify members of their household and any account to which they have a beneficial ownership (they “own” the account or have “authority” over the account), securities held in certificate form and all securities they own at that time

11b, c & d: Participation or Interest in Client Transactions

MGM or its employees may buy and sell some of the same securities for our own accounts that we buy and sell for our clients. We will always buy or sell from our clients’ accounts before we buy or sell from our accounts. In some cases MGM or its employees may buy or sell securities for our own accounts and not for clients’ accounts, as it may not meet the objectives or plans for the client.

MGM will always maintain full disclosure with our clients so that you can make informed decisions. We will always evaluate our activity from the view of our clients to ensure that any and all required disclosures are made. For example, we will disclose anything that would cause you to be unfairly influenced to make any decision regarding actions or inactions in your account.

ITEM 12 – BROKERAGE PRACTICES

12a: Selecting Brokerage Firms

As part of our services, MGM will recommend a broker-dealer. We have selected our broker-dealers based on price, reliability, speed of processing, tools and “best execution” in addition to other considerations. And while you are not required to effect transactions through any broker-dealer recommended by us, we feel we have made our selections based on a totality of benefits they offer.

To avoid creating a possible conflict of interest in recommending broker-dealers, we have established the following restrictions in order to ensure its fiduciary responsibilities:

1. We adhere to our Code of Ethics as outlined in Item 11 above
2. If MGM receives separate compensation for transactions, we will fully disclose them
3. We emphasize the unrestricted right of you to select and choose your own broker or dealer
4. We will always act in accordance with all applicable federal and state regulations governing registered investment advisory practices.

ITEM 13 – REVIEW OF ACCOUNTS

13a: Periodic Reviews

Accounts are reviewed by Mary O. Mahoney and Michael D. Cook, or other qualified staff members. All reviews are either conducted or supervised by Mary O. Mahoney or Michael D. Cook. The frequency of reviews is determined based on the Client's investment objectives, but no less than annually. Generally, the maximum number of accounts assigned to a reviewer is 75.

Financial planning clients receive their financial plans and recommendations at time service is completed. Depending on the type of financial planning service requested, Advisor will meet on a regular basis with clients to discuss any potential changes to their financial plan.

13b: Review Triggers

More frequent reviews are triggered by a change in client's investment objectives; tax considerations; large deposits or withdrawals; large sales or purchases; loss of confidence in corporate management; or, changes in economic climate.

13c: Regular Reports

Clients receive reports when they are requested on representative investments recommended specifically by the Advisor. Reports are also provided at the time of portfolio reviews. Investment advisory clients also receive standard account statements from the custodian of their accounts on a monthly basis.

Financial planning clients do not normally receive investment reports.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

14a: Economic Benefits Provided by Third Parties for Advice Rendered to Clients

MGM may purchase software, research tools, training programs or seminar services from its broker-dealer. Additionally, broker-dealers may provide services, tools or other non-financial benefits to the Advisor as a benefit for using the broker-dealer's services. As part of its fiduciary duties to clients, MGM endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of the types of benefits discussed above can create a potential conflict of interest by influencing the Advisor's choice of a broker-dealer.

14b: Compensation to Non-Advisory Personnel for Client Referrals

MGM may pay a fee to individuals or entities that refer clients. Such persons are commonly called "solicitors."

Advisor will not pay a solicitor a referral fee unless the following conditions are met:

- The solicitor is not subject to a regulatory enforcement order or been convicted of a serious crime within the past 10 years;
- The solicitor and Advisor have entered into a written agreement that;
 - a) describes the activities and the fee the solicitor will receive;
 - b) contains an undertaking that the solicitor perform its activities in a manner consistent with Advisor's instructions and relevant State law; and
 - c) requires the solicitor to provide the prospective client with Advisor's ADV Part II and Schedule F, along with a written disclosure document; and
- At the time of entering an advisory contract with a solicited client, MGM obtains a dated acknowledgement of receipt of MGM's Form ADV Part II Part A and B.

ITEM 15 – CUSTODY

Our client's accounts are held by a qualified custodian. MGM does not have custody of the assets in the account and shall have no liability for any loss or other harm to any property in the account. This includes harm resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian. We cannot ensure that when harm is caused whether or not the full amount of loss is covered by the Securities Investor Protection Corporation ("SIPC") or any other insurance which may be carried by the custodian. SIPC provides only limited protection for the loss of property held by a broker-dealer.

ITEM 16 – INVESTMENT DISCRETION

MGM generally wants our clients to give us discretionary authority to execute transactions without our client's prior approval. These transactions may include the purchase and selling of securities, arranging for payments or generally acting on behalf of our clients in most matters necessary to the handling of the account.

In certain circumstances, we will request non-discretionary authority over our clients' accounts. Non-discretionary authority requires us to obtain your prior approval of each specific transaction prior to executing investment recommendations.

ITEM 17 – VOTING CLIENT SECURITIES

MGM does not receive and vote proxies or receive annual reports on issues held in our client's accounts. The custodian will send all expected proxy and report information directly to our clients.

ITEM 18 – FINANCIAL INFORMATION

18a: Financial Condition

MGM has no financial issues that could impair our ability to carry out our fiduciary duty to our clients. Advisor has not been the subject of a bankruptcy petition in the last ten (10) years.

MGM does not require prepayment of more than \$500.00 in fees from clients more than six (6) months in advance of services.

ITEM 19 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS

MGM is registered with the SEC and only notice files with state regulators.