

Foresight Wealth Management

A Division of Foresight Asset Management LLC

Information Brochure

Amended July 5, 2012

Let me introduce myself. I am Terry Buchanan, owner and operator of Foresight Asset Management LLC registered as a Single Member Limited Liability Corporation in the state of Tennessee and doing business as Foresight Wealth Management. I am a high school graduate of Westminster High, Westminster, SC and was an active duty member of the United States Air Force for almost ten years where I received extensive leadership training. I have been managing active investment portfolios since November, 2003 and my company has been a registered investment advisor since May, 2005.

1) Who We Are: Foresight Wealth Management (a division of Foresight Asset Management LLC) specializes in active portfolio management services aimed at individuals and high-net clients and currently has approximately 49 million dollars under management.

2) Compensation: We provide a fee only service. Our compensation is derived from the average daily balance of the account annualized as described below. The calculation is compiled and billed monthly based on an average daily balance of the account during the full calendar month (ie... the calculation for the month of January will be based on 31 days). For high net clients with \$1 million or more under management, we also offer a negotiated fixed price fee.

3) Other fees:

Setup Fee: There will be a \$500 setup fee for all new accounts.

Trade Fees: Foresight Wealth Management does not charge trade fees.

Brokerage Fees: The brokerage where your funds are housed will likely charge various fees.

These fees are not controlled by Foresight Wealth Management nor do we benefit from them.

4) Performance Based Fees: Foresight Wealth Management does not charge performance based fees.

5) Investment Strategies and Risk of Loss: Foresight Wealth Management specializes in options based strategies using a strict set of client approved standing rules. Option trading has historically been seen as high risk. However, generally speaking, we sell options (as opposed to buying them) and **always** set aside funds or securities in the account as the case may be to cover the transaction if the option actually exercises. Our goal is to never put the account in the position of having to go into margin (borrow cash) or short stock (borrow securities) to cover an option transaction. This being said, all investments include some amount of risk. Foresight Wealth Management makes no guarantees of performance or protection from loss.

6) Method of Analysis: Foresight Wealth Management does all their analysis and research in-house using readily available internet tools such as Yahoo and MSN as well as tools made available to us from the brokerage house as a result of having an active account with them.

7) Code of Ethics: Foresight Wealth Management will not intentionally make transactions or conduct business that is considered even remotely unethical or that conflict in any way with the rules and regulations as set forth by the regulatory authorities appointed over us. Copies of our code of ethics are available upon request.

8) Recommended Securities/Conflict of Interest: Foresight Wealth Management will, from time to time, make recommendations for certain securities. All recommended securities are available and transacted on the open market and are not proprietary to Foresight Wealth Management or any of our affiliates. We do not gain materially or financially from recommending those securities. In short, we do not recommend securities that may pose a conflict of interest between Foresight Wealth Management, its affiliates and its clients.

9) Selecting a Brokerage: Currently we have a retail relationship with Fidelity Investments. Our recommendation to use them is based on their excellent service, relatively low fees, trade execution time, and excellent trading platform. However, we can accommodate most popular brokerage houses as long as they have a robust trading platform accessible from an internet connection. The brokerage house selection must be agreed upon prior to entering the portfolio management agreement.

10) Possession Of Funds: Foresight Wealth Management will not take possession of your funds. Our portfolio management and associated trades are conducted through the selected brokerage house. The client will be responsible for setting up the account with Fidelity Investments (or other selected brokerage) and making arrangements to fund the account. The client will then name at least one of our associates as an authorized person for trading only. Although Foresight Wealth Management will send you a monthly account status report, all official documentation regarding the status of your account, including 1099's, will be managed by the brokerage house.

Please feel free to contact me any time:

Terry Buchanan

(865) 679-6177

608 Mabry Hood Road, Suite 202-13

Knoxville, TN 37932