

Nvest Wealth Strategies, Inc.
2310 Home Road
Delaware, Ohio 43015
740-917-9234

Form ADV, Part 2A: Firm Brochure

This part of Form ADV provides information about Nvest Wealth Strategies and its business. The information has not been approved or verified by any governmental authority. This information is part of our Form ADV filing to the Securities & Exchange Commission and Ohio for **Nvest Wealth Strategies, Inc., SEC. File #139758**.

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1. Material Changes (since last year)

Beginning in 2011, this “ADV Part 2A: Firm Brochure” requires a new format, as provided herein. So our previous ADV Part II was modified. In 2012, firms smaller than \$100 million of assets under management file in their state of domicile (Ohio) via the SEC. Also, Nvest changed from a C-corp to an S-corp, and its accounting year changed to a calendar year in 2012. Otherwise, no other changes are applicable for disclosure for Nvest Wealth Strategies or its business operations.

2. Business of Nvest Wealth Strategies, Inc.

Nvest Wealth Strategies, Inc. (Nvest) provides investment supervisory services on portfolios it manages for clients, furnishes investment advice through consultations, and may also provide clients with advice on matters not involving securities (e.g.: financial planning issues).

Investment management services are available and provided to individuals, pension and profit sharing plans, trust, estates, or charitable organizations, and corporations or business entities on a fee-only basis. Nvest attempts to open new client accounts that are \$100,000 minimum, but may waive the minimum due to other account or planning relationships.

At December 31, 2011, the aggregate market value of the investments Nvest Wealth Strategies managed for its clients was \$40.9 million. This only includes those assets Nvest manages for clients at Charles Schwab & Co, on which we have full discretion, and does not include the value of assets wherein Nvest has advised clients on investment allocations (ie: 401K, 403B, 457, and insurance annuity investment structures).

Types of investments that Nvest utilizes as it works with/for clients include mutual funds (primarily no-load or load waived), corporate debt securities (including commercial paper), certificates of deposit, municipal securities, US government securities, and/or exchange-listed or over-the-counter traded stocks/securities. Nvest is not a broker, so it does not buy for its own inventory investments for resale or repurchase for/from clients. We invest in securities the client might otherwise choose on their own, but may not have the time or expertise. Nvest most often has full discretion to make investment changes in client portfolios within the parameters established by a Statement of Investment Policy for each client portfolio. Investments that are utilized are generally owned for the long-term, but some times positions need to be modified or eliminated in less than one year.

Nvest professionals meet with clients initially and periodically to understand their financial characteristics, to define their investment objectives in writing via the Statement of Investment Policy. Based upon financial characteristics and investment objectives, suitable investments are chosen for the client portfolio. Most often, portfolios are multi-asset structures consisting of different style no-load mutual funds of bonds and stocks. We utilize asset allocation processes to manage portfolio risk. We do not utilize timing, sector rotation, interest rate anticipation, or other momentum strategies to manage client portfolios.

Selection of investments is based upon ongoing due diligence factors consisting of quantitative (historical performance, risk/return measures, and etc.) and qualitative (management and research staff experience, buy and sell discipline, risk

control techniques) factors.

Nvest personnel may also have investment accounts, and most likely will own mutual funds and securities identical or similar to those owned by client portfolios. Personnel will purchase investments for clients first; investing in mutual funds does not create conflicts of interest. We invest our portfolios the same way we invest for clients.

Nvest does not utilize soft-dollar arrangements for equipment or research. Rather, we subscribe to research or services deemed appropriate, or prepare research necessary to perform the investment management process for clients. Examples of research include fundamental, technical, analysts research reports, periodical and internet research, company or mutual fund information and conversations, and etc. Further, Nvest or its employees are not general partners or related persons to any partnership where clients are solicited to invest.

Review of client accounts is not less than quarterly, and more often monthly. As money flows occur, deposits or withdrawals require timely portfolio review. A portfolio review verifies that investments meet client objectives, and that risks are managed via tactical or strategic target allocations, which are dynamic. Rebalancing techniques are utilized to manage portfolio risk and to affect investment strategy. Tax awareness is utilized, but does not drive investment decisions. As we monitor the various no-load mutual funds and investment vehicles daily, we are aware of changing values and performance; and rebalancing occurs because some funds “run” faster than others and at different times causing the portfolio risk structure to change over time. Rebalancing occurs to manage portfolio risk.

Portfolios are managed by individual(s) with investment management experience, holding college, graduate, and/or professional designations. We also employ individuals with appropriate college and career experience to advise on financial planning, taxes, insurance, and other related financial fields. At this time, individuals managing and advising client portfolios are:

William G. Henderly, CFA, Principal
Steven G. Henderly, CFA

Financial planning or other consulting services are performed as requested and often updated annually as the client may desire.

Nvest prepares and sends (via mail or internet) quarterly client reports consisting of investment holdings and performance. Typically, the custodian provides monthly reports of holdings, transactions and investment earnings.

Investment Consulting Advice is offered to clients as requested, on accounts that Nvest is unable to directly manage (ie: 401K retirement accounts and etc). Advice is offered via consultation for an hourly fee or fixed fee established prior to work. Fees range from \$50 (for data

gathering) to \$200 for professional expertise; these hourly fee rates may be adjusted from time to time. Clients are quoted these rates before work begins, and may be required to sign an agreement for services that defines hourly or project charges. Client is invoiced monthly as work/consultation is performed, until the project is complete. Consulting activities are not provided to non-Nvest clients.

Nvest consulting and **financial planning** activities are for/on various client issues – family financial planning, education funding, retirement, health, P&C insurance, life, long term care, and/or estate planning; or business planning and benefits; or etc. For some services, clients may incur separate fees or charges from lawyers, accountants, bankers, and/or insurance agents to complete the project. Often, consulting activities and charges are not invoiced when the client’s assets under management are \$250,000 or greater.

3. Fees & Compensation

Fees for investment management are a percentage of assets under management, while consulting services are hourly charges or fixed fees.

Investment management fees are asset-based on a percentage of assets at market value:

- 1.0% on the first \$500,000
- 0.8% on the next \$500,000
- 0.6% on the next \$2 million
- 0.5% on the next \$3 million
- 0.3% on the next \$4 million
- 0.2% for values in excess of \$10 million.

Fees are not negotiable. Fees are payable quarterly in advance based on the market value on the last day of the previous quarter. Clients with more than one account are aggregated together to calculate the total fee, which is then prorated among accounts. New accounts are billed at the start of the next calendar quarter following the inflow and are pro-rated for the prior quarter depending on when received. If a client terminates mid-quarter, a prorata refund of the quarterly advisory fee is provided unless agreed otherwise (i.e. the prorata is for a week or two, or is less than \$10).

Clients who are ministers, church related 501(c)(3) organization will incur an annual fee of 0.2% of the market value, charged quarterly; extended family incur annual fees at 50% of the tiered rates (above). Employees and immediate family do not incur investment management fees.

Small Roth IRA or Custodial accounts (smaller than \$7,500) may not be charged an investment management fee when client aggregate “relationship” assets exceed \$250,000; when the Roth IRA or Custodial account value exceeds \$7,500, it will be included in the relationship for fee purposes, with a proportional fee being charged.

A client may own a concentrated low basis investment, where the market value is excluded from the investment

management fee. Nvest may be requested to liquidate the investment over time, where the client and Nvest determine it appropriate to fee for time the effort to make the transaction.

Nvest fees are separate to costs (if any) from custodian, or mutual fund, or separate account manager fees. Mutual fund fees vary from fund to fund, and are part of the daily Net Asset Value (price of the shares). Brokerage fees may be charged by the custodian to transact a buy/sell of stocks, bonds and/or some mutual funds. Often, investment trades are made via brokerage services offered by the custodian/broker. Nvest does not receive any rebates, incentives, or refunds from custodians, mutual funds, nor separate account managers. Further, Nvest does not pay or rebate any fees to clients or other individuals for referrals.

4. Performance Fees & Side-by-Side Management

Not applicable. Nvest does not charge performance based fees, and does not have any side-by-side investment management arrangements. Side-by-side arrangements exist when an advisor manages similar client portfolios that have different structures, fee arrangements, or etc, that could create a conflict of interest.

5. Code of Ethics Summary & Disciplinary Information

Nvest adheres to the Chartered Financial Analysts (CFA) Code of Ethics; a copy of which can be provided upon request, and is also published on our website. Nvest does not recommend or utilize individual securities to/for client accounts, and employees invest their own accounts with the same processes. Using primarily no-load mutual funds, we do not “front run” and avoid other conflicts of interest when managing accounts. We are long term investors.

Nvest and its employees do not have any prior/current legal or disciplinary events.

6. Trade & Brokerage Practices

Nvest utilizes almost exclusively the brokerage services of Charles Schwab & Co. for the purchase and sale of securities owned in client accounts. The commissions charged by Schwab, change from time to time, but are discount commissions. Nvest tries to avoid and/or minimize brokerage commissions when making investment decisions. Nvest does not receive any compensation from Schwab for trade commissions incurred.

Nvest does not utilize soft-dollar arrangements for equipment or research. Rather, we subscribe to research or services deemed appropriate, or prepare research necessary to perform the investment management process for clients.

7. Custody of Client Assets

Nvest utilizes almost exclusively the custody services of Charles Schwab & Co. Nvest does not take custody of client assets. We are not owned or paid any compensation for recommending client's custody their accounts at Charles Schwab & Co. Nvest does not receive value, products or

research unique to Nvest or its clients, that Schwab does not provide to other Investment Advisors utilizing Schwab for their client custody. Nvest reconciles client account positions with the custodian daily; custodian sends monthly “brokerage” reports to client while Nvest sends quarterly investment reports to client; these should be compared for accuracy and understanding.

Nvest has authority, in the process of managing client portfolio or to assist with other financial matters, to work with custodians, brokerage firms, banks, accountants, lawyers, or insurance agents necessary to implement investment management or other financial planning strategies. These firms and individuals will be of position, quality and sound financial stature to provide ongoing service to clients and Nvest.

8. Voting Client Securities – Proxies

Nvest votes proxies on investments held in portfolios on behalf of its clients. As such, we vote in a manner believed to maintain or enhance the value of the investments owned for/by the client. Clients may inquire of Nvest how proxies are being voted, and may share thoughts on issues when inclined. Nvest maintains a record of proxy voting for 12 months.

9. Financial Information

Nvest Wealth Strategies, Inc. is solely owned by Bill Henderly, and is not in partnership with any other financial company or other partners. Its financial position is strong, and accounting is primarily maintained on a cash basis. Nvest is not required by the SEC or state regulators to provide financial results to clients, because it does not custody client assets (which would include collecting prospective fees for services amounting to 6 months or more in advance). The company changed from a “C” corp with a fiscal year ending January 31 to an “S” corp with a calendar yearend for 2012.

Nvest Wealth Strategies, Inc. hereby certifies that it has filed and maintains registration with the NASD via its national filing system called the IARD. Nvest is in compliance with SEC regulations and state regulations for Ohio. Further, all books and records of Nvest Wealth Strategies will be preserved and available for inspection as required by law, and are available to federal and state regulatory representatives.

Nvest Wealth Strategies, Inc. maintains a website (in various stages of development and information, which may be located at www.NvestWealth.com, and you may contact us via email at info@NvestWealth.com.

By: William G. Henderly, CFA, Principal
January 21, 2011
Nvest Wealth Strategies, Inc.



Form ADV, Part 2B: Brochure Supplement

William G. Henderly, CFA

SEC CRD #4373195

Bill is the founding owner of at least 10% of Nvest Wealth Strategies common stock; he is principal for the firm, and provides investment advice and management for the firm.

Address: 2310 Home Road, Delaware, Ohio 43015

Born: November 14, 1953 in Cincinnati, Ohio.

Professional Experience:

Nvest Wealth Strategies, Inc.

PPC Portfolio Consultants, Inc.

Ohio Bureau of Workers Comp

since 1977

Investment Advisor/Financial Advisor

Principal; beginning March, 2006

Investment/Financial Advisor

Chief Investment Officer, Sr. Investment Consultant;

October 1994 to present

Director of Investments

March 1992 to June 1994

Other Professional Participation:

*Dave Thomas Foundation for
Adoption*

Investment Advisory Committee member,
since 2009

Education:

Xavier University

Ohio Northern University

Chartered Financial Analyst (CFA)

MBA – Finance; 1977 to 1979

BA – Business Administration & Political Science; 1972 to 1976

1983 (Charter #7398)

Steven G. Henderly, CFA

Steve provides investment advice and management for clients of Nvest Wealth Strategies.

Address: 629 Village Park Drive, Powell, Ohio 43065

Born: October 4, 1981 in Cincinnati, Ohio.

Professional Experience:

Nvest Wealth Strategies, Inc.

Information Clearinghouse, Inc.

Diamond Hill Capital Management

since 2004

Investment Advisor/Financial Advisor

November 2006 to present

Research Analyst

September 2004 to November 2006

Analyst & Trader

January 2004 to September 2004

Education:

The Ohio State University

Chartered Financial Analyst (CFA)

BS – Business Administration - Finance; 2000 to 2004

2008