

# Advisory Consulting Group, LLC

## Firm Brochure

*This brochure provides information about the qualifications and business practices of Advisory Consulting Group, LLC. If you have any questions about the contents of this brochure, please contact us at (925) 328-4415 or by email at: [rstebbins@advisorycg.com](mailto:rstebbins@advisorycg.com). 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.*

*Additional information about Advisory Consulting Group, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Advisory Consulting Group, LLC's CRD number is: 142666*

2001 North Main Street, Suite 500  
Walnut Creek, California 94596  
(925) 328-4415  
[rstebbins@advisorycg.com](mailto:rstebbins@advisorycg.com)

*Registration does not imply a certain level of skill or training.*

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## **Item 2: Material Changes**

Advisory Consulting Group, LLC has no material changes to report since the previous annual filing on March 11, 2011.

## Item 3: Table of Contents

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

This firm has been in business since November of 2006, and is a wholly-owned subsidiary of Verisight, Inc. The principal owner of Verisight, Inc is George Karfunkel.

### **B. Types of Advisory Services**

Advisory Consulting Group, LLC (hereinafter “ACG”) offers the following services to advisory clients:

#### ***Investment Supervisory Services and Pension Plan Consulting***

ACG provides advisory and consulting services to retirement plan sponsors and their designated committees to assist with the selection and monitoring of investment options to be offered within their retirement plans. ACG creates an Investment Policy Statement for each client, which outlines the client’s current situation and then constructs a plan to aid in the selection of a portfolio that matches each client’s specific goals. ACG provides clients with general consulting regarding retirement plan issues. ACG may also provide clients with vendor management and vendor search services.

ACG will offer pension plan consulting services customized to the needs of each client. Consulting services include, but are not limited to, the following: Investment strategy; Investment policy; and Asset selection. ACG will evaluate the current investments of each client with respect to their risk tolerance levels and time horizon. Risk tolerance levels may be documented in the Investment Policy Statement, which will be given to each client. These services will be based on fixed fees or hourly fees, and the final fee structure will be documented in Exhibit II of the Investment Advisory Contract.

#### ***Services Limited to Specific Types of Investments***

ACG typically limits its investment advice to mutual funds, ETFs or collective trust funds. ACG may advise on other securities if specifically asked to do so by a client.

### **C. Client Tailored Services and Client Imposed Restrictions**

ACG offers the same suite of services to all of its clients. However, specific client service arrangements and their implementation are customized depending upon the needs of the client.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their policies. However, if the restrictions prevent ACG from properly servicing the client account, or if the restrictions would require ACG to deviate from its standard suite of services, ACG reserves the right to end the relationship.

#### **D. Wrap Fee Programs**

ACG does not participate in any wrap fee programs.

#### **E. Amounts Under Management**

ACG has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0.00	\$1,108,824,767.00	12/31/2011

## Item 5: Fees and Compensation

### A. Fee Schedule

#### *Investment Supervisory Services Fees and Pension Plan Consulting Fees*

Total Assets Under Management	Annual Fee
\$1 - \$1,000,000	0.65%
\$1,000,001 - \$5,000,000	0.35%
\$5,000,0001 - \$10,000,000	0.20%
Above \$10,000,000	Negotiable

ACG assesses a minimum annual fee of \$2,500 for clients that have an ongoing service relationship with the firm. These fees are negotiable and the final fee schedule is attached as Exhibit II of the Investment Advisory Contract. Fees are paid quarterly in arrears, and clients may terminate their contracts with thirty days' written notice. Because fees are charged in arrears, no refund policy is necessary. Clients may terminate their relationship without penalty within 5 business days of signing the advisory contract.

#### *Fixed Fees*

Per the following schedule:

\$5,000 Annual plan review services, including an annual review meeting, investment option review reports, Investment Policy Statement drafts and ongoing support, including one enrollment meeting per year

\$1,750 Analysis and reporting in excess of one per year

\$950 Participant enrollment/communications meetings (per day)

ACG's fixed fee service model may or may not include co-fiduciary services. The specific arrangement for each client will be identified in the client's service agreement with ACG.

Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. The fees are negotiable, and the final fee schedule will be attached as Exhibit II of the Investment Advisory Contract. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

## *Hourly Fees*

Depending upon the complexity of the situation and the needs of the client, the hourly fee for these services is between \$75 and \$375. The fees are negotiable and the final fee schedule will be attached as Exhibit II of the Financial Planning Agreement. Fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary. Clients may terminate their contracts without penalty within five business days of signing the advisory contract.

## **B. Payment of Fees**

### *Payment of Investment Supervisory Fees*

Advisory fees are invoiced and billed directly to the client or the plan with payments due quarterly in arrears.

### *Payment of Pension Consulting Fees*

Hourly Consulting fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

Fixed Consulting fees are paid in arrears upon completion. Because fees are charged in arrears, no refund is necessary.

## **C. Clients Are Responsible For 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 and expenses charged by ACG. Please see Item 12 of this brochure regarding broker/custodian.

## **D. Prepayment of Fees**

ACG collects its fees in arrears. It does not collect fees in advance.

## **E. Outside Compensation For the Sale of Securities to Clients**

Neither ACG nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or services fees from the sale of mutual funds.



## **Item 6: Performance-Based Fees and Side-By-Side Management**

ACG does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## **Item 7: Types of Clients**

ACG generally provides investment advice and/or management supervisory services to the following Types of Clients:

- ❖ Pension and Profit Sharing Plans
- ❖ Pension and Profit Sharing Plan Sponsors

### ***Minimum Account Size***

There is no account minimum.

## **Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss**

### **A. Methods of Analysis and Investment Strategies**

#### ***Methods of Analysis***

ACG's methods of analysis include fundamental analysis, and the generally accepted theories of asset allocation and modern portfolio theory to assist clients with the construction of retirement plan fund menus and asset allocation models.

#### ***Investment Strategies***

Most of ACG's services will be oriented around constructing menus of mutual funds and long term trading strategies.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **B. Material Risks Involved**

#### ***Methods of Analysis***

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

ACG will use generally accepted theories of asset allocation and modern portfolio theory to assist clients with the construction of retirement plan fund menus and asset allocation models. Most of ACG's services will be oriented around constructing menus of mutual funds.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

ACG generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity or fixed income markets.

**Past performance is not a guarantee of future returns. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of this advisory business or the integrity of our management.

## **Item 10: Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither ACG nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither ACG nor its representatives are registered as a FCM, CPO, or CTA.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

ACG is a wholly owned subsidiary of Pension Specialists, Inc. Greg Tschider, Michael Walker and Robert Stebbins are executive officers of Pension Specialists, Inc. Pension Specialists, Inc. also maintains another subsidiary, PSI Insurance Services, Inc. which can act as an agent for certain clients of Pension Specialists, Inc. From time to time, clients may be offered advice or products from those activities. Clients should be aware that these services pay a commission and involve a possible conflict of interest, as commissionable products can conflict with the fiduciary duties of a registered investment adviser. ACG always acts in the best interest of the client; including the sale of commissionable products to advisory clients.

### **D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

ACG does not utilize nor select other advisors or third party managers. All assets are managed by ACG management.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **A. Code of Ethics**

We have a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. Clients may request a copy of our Code of Ethics from management.

### **B. Recommendations Involving Material Financial Interests**

ACG does not recommend that clients buy or sell any security in which a related person to ACG has a material financial interest.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of ACG may buy or sell securities for themselves that they also recommend to clients. ACG will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of ACG may buy or sell securities for themselves at or around the same time as clients. ACG will trade client's non-mutual funds and non-ETF securities before they trade their own. ACG will always act in the best interest of the client.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

The Custodian was chosen based on their relatively low transaction fees and access to mutual funds and ETFs. ACG will never charge a premium or commission on transactions, beyond the actual cost imposed by Custodian.

#### ***1. Research and Other Soft-Dollar Benefits***

ACG receives no research, product, or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits").

#### ***2. Brokerage for Client Referrals***

ACG receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

#### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

ACG allows clients to direct brokerage. ACG may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients money because without the ability to direct brokerage ACG may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

ACG maintains the ability to block trade purchases across accounts but will rarely do so. While block trading may benefit clients by purchasing larger blocks in groups, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodian.

## **Item 13: Reviews of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

Client accounts are reviewed by Michael Walker and/or Robert Stebbins. The chief advisors and are instructed to review clients' accounts with regards to their investment policies and risk tolerance levels. All accounts at ACG are assigned to these reviewers.

All pension consulting accounts are reviewed upon plan creation and plan delivery by Michael Walker and/or Robert Stebbins. The frequency of pension consulting reviews will vary depending upon the needs of each client.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

### **C. Content and Frequency of Regular Reports Provided to Clients**

Client will receive monthly, quarterly or upon request, a written report detailing the client's account which will come from the custodian.

## **Item 14: Client Referrals and Other Compensation**

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

ACG does not receive any economic benefit, directly or indirectly from any third party for advice rendered to ACG clients.

### **B. Compensation to Non -Advisory Personnel for Client Referrals**

ACG does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

## **Item 15: Custody**

ACG does not take custody of client accounts at any time. Custody of client's accounts is held primarily at the Custodian. Clients will receive account statements from the custodian and should carefully review those statements.

## **Item 16: Investment Discretion**

ACG does not have discretion over client accounts at any time.

## **Item 17: Voting Client Securities (Proxy Voting)**

ACG will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

ACG does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither ACG nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

ACG has not been the subject of a bankruptcy petition in the last ten years.