



*1040 Crown Pointe Parkway  
Suite 840  
Atlanta, GA 30338  
770.352.0449*

## *Wrap Fee Disclosure Brochure*

*February 21, 2012*

This wrap fee program brochure provides information about the qualifications and business practices of Advisory Services Network, LLC (“ASN”). If you have any questions about the contents of this brochure, please contact Thomas C. Prescott, Managing Member, at 770.352.0449. 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.

ASN is a investment adviser registered with the SEC. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser are intended to provide you with information to assist in your determination as to whether or not to retain the services of that investment adviser.

Additional information about ASN also is available on the SEC’s website at:  
[www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## Material Changes

The SEC requires that investment advisers like ASN provide clients and prospective clients (“you, your, yours”) with a brochure and brochure supplements written in plain English that provide a variety of information, including a description of the services they offer, the fees they charge for those services, and any potential conflicts of interest that you should consider.

This brochure specifically addresses the Wrap Fee Program (“Program”) we offer. Under wrap fee arrangements, the advisory fees you pay include both our fee for investment management and other charges that might be assessed, such as transaction charges, research costs, etc.

ASN offers or delivers information about our qualifications and business practices to clients on an

annual basis. We will provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of the last annual update of our brochure.

Currently, our brochure may be requested by contacting Thomas C. Prescott, Managing Member, by phone, at 770.352.0449 or by e-mail, at [tpres@advservnet.com](mailto:tpres@advservnet.com). We will provide you with a copy of our current brochure at any time without charge.

Additional information about us and about our investment advisory representatives (“IARs”) is also available via the SEC’s website, at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Information about your IAR can be found in our brochure supplements.

## Item 3 - Table of Contents

<i>Advisory Services.....</i>	<i>2</i>
<i>Fees and Compensation.....</i>	<i>3</i>
<i>Types of Clients.....</i>	<i>5</i>
<i>Performance Based Fees.....</i>	<i>5</i>
<i>Methods of Analysis, Investment Strategies and Risk of Loss.....</i>	<i>5</i>
<i>Voting Client Securities.....</i>	<i>6</i>
<i>Disciplinary Information.....</i>	<i>7</i>
<i>Other Financial Industry Activities and Affiliations.....</i>	<i>7</i>
<i>Code of Ethics; Participation or Interest in Client Transactions and Personal Trading.....</i>	<i>7</i>
<i>Brokerage Practices.....</i>	<i>8</i>
<i>Review of Accounts.....</i>	<i>10</i>
<i>Client Referrals and Other Compensation.....</i>	<i>10</i>
<i>Financial Information.....</i>	<i>10</i>

SEC Number 801-71112

CRD Number 146051

## **Services, Fees and Compensation**

ASN, which is located in Atlanta, Georgia, is a Limited Liability Company organized under the laws of the State of Georgia. Thomas C. Prescott and David E. Paulukaitis founded ASN in 2009 and are our principal owners. ASN is registered as an investment advisory firm with the SEC.

We offer investment advisory services through a network of independent IARs who are authorized to conduct business under their own business names or under the ASN name. In addition to ASN, some of our IARs conduct business under the following names:

- Argentora Wealth Management
- Associated Capital Advisors
- Black Bridge Advisors
- Darwin
- Financial Analysts
- Garrard Wealth Management
- Harbor Wealth Advisors
- IntelliPlan Advisors
- Tenet Wealth Management
- Triad Wealth Advisors

Our IARs work with you to identify your investment goals, objectives, and risk tolerances in order to structure an investment account and an ongoing investment strategy that is appropriate for you.

### **Advisory Services**

The Wrap Fee Program (“Program”) offers individualized portfolio management, asset allocation, portfolio monitoring, and consolidated reporting. Portfolios may include mutual funds, exchange traded funds (“ETFs”), stocks, bonds, options, and alternative investments such as limited partnerships and real estate investment trusts.

Your portfolio and the investment strategies utilized are determined based upon your specific individual investment objectives, goals and risk tolerances. Our IARs may periodically adjust your account (a process referred to as “rebalancing”) to help ensure that your investment account remains consistent with your objectives, goals, and risk tolerances.

Our IARs rely on you to notify them of any changes in your objectives, goals and risk tolerances, as well as any other material changes in your personal circumstances (such as your employment, marital status, financial condition, etc.). These changes may require changes in your investment account and the investment strategies employed.

Our IARs may manage your investment account on either a discretionary basis (meaning that you authorize your IAR to make specific investment decisions on your behalf) or non-discretionary basis (meaning that your IAR must obtain your specific prior approval before a transaction can be effected for your investment account).

Whether your IAR is authorized to exercise discretion with respect to your investment account is your choice. When you establish an advisory relationship with us, we will ask that you advise us in writing how you would like your IAR to handle your account.

The scope of the discretionary authority that you may grant to one of our IARs is limited to selecting specific investments for your account and deciding how to allocate your assets among those investments. Your IAR may decide if and when to buy, hold, or sell those investments. Once you have granted discretionary authority to your IAR, it is effective until you change it or revoke it in writing.

You may impose any reasonable restrictions upon the manner in which your IAR manages your investment account. For example, you may restrict the management of your account to certain types of investment products or investment strategies.

## ***Fees and Compensation***

Our fee is calculated based upon an annualized percentage of the market value of the investment assets in your account. One-fourth of our fee is billed each calendar quarter in advance, based on the value of your account on the last day of the previous quarter.

Broker-dealers and other financial institutions that hold investment accounts for advisory clients are referred to as custodians (hereinafter referred to as “custodian/broker-dealer”). Your custodian/broker-dealer will determine the values of the assets in your account.

We maintain relationships with several custodian/broker-dealers. We do not select the custodian/broker-dealer for your account.

We generally charge our investment management fees “in advance,” meaning that we charge our fees before we have provided our services to you. In certain instances, we may charge our investment management fees “in arrears,” meaning that we charge our fees after we have provided our services to you. We allow your IAR to determine how your advisory fees will be charged.

When we bill our management fee in advance, our initial fee will be calculated on the day your investment assets are received by your custodian/broker-dealer. The amount of the fee will be calculated based on the number of days remaining in that quarter.

Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were

deducted from your account will be returned to you by us.

The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

When we bill our management fees in arrears, our initial fee will be calculated based on the number of days during the quarter that our advisory agreement was in effect.

Should either one of us terminate the advisory agreement we have entered into before the end of a calendar quarter, you will only be charged our fee for the number of days during that quarter that our agreement was in effect.

We require that you authorize us in writing to direct your custodian/broker-dealer pay our investment advisory fees directly to us by charging your account. This authorization is set forth in the investment advisory agreement you will execute to retain our services.

Your custodian/broker-dealer will also provide you with statements that show the amount of the advisory fees paid directly to us.

Your custodian/broker-dealer does not verify the accuracy of our fee calculations. Please review your statement carefully.

## Wrap Fee Program Fees

The maximum fees allowed under the Program are presented below. All fees are negotiable at our sole discretion.

<b><u>Assets Under Management</u></b>	<b><u>Max. Annual Fee*</u></b>
First \$500,000	2.60%
Next \$1,500,000	2.10%
Next \$3,000,000	1.85%
Over \$5 million	1.65%

**\*all fees are negotiable**

No transaction fees (“ticket charges”) are assessed for trades in the Program account, except for nominal transaction charges that are not controlled by ASN or the custodian/broker-dealer, such as those imposed by the SEC.

This wrap fee program may cost you more or less than purchasing these services separately, depending on the amount of trading activity in your account, the value of services that are provided to you under this program, and other factors. Therefore, IARs may have a financial incentive to recommend the wrap fee program over other programs or services. Generally, wrap programs may result in higher overall costs to you in accounts that experience little trading activity.

In addition to our fee, certain additional charges may be assessed. These fees are not assessed by or paid to ASN, and may include:

- custodial fees,
- internal fees and expenses charged by mutual funds or ETFs, and
- other fees and taxes on brokerage accounts and securities transactions.

Mutual fund companies, ETFs, and variable

annuity issuers charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these documents before making or authorizing any investments. Your IAR will be available to answer any questions you have about fees and expenses.

For the services provided, the IAR managing your account will receive approximately 75-80% of the Program fee you pay. The amount of this compensation may be more or less than the amount the IAR would receive if you participated in other ASN programs or paid separately for the Program services.

Our IARs may be registered representatives with broker-dealers that are unaffiliated with us. We do not, however, permit our IARs to manage client investment accounts through the broker-dealers with which they may be associated.

Our IARs may also be licensed to sell insurance products through various insurance companies that are unaffiliated with us. As such, they may receive commissions from any insurance products you purchase through them.

The above described arrangements may present a conflict of interest because they could create an incentive for your IAR to make recommendations based upon the amount of compensation we could receive rather than based upon your particular needs. We are nonetheless committed to acting in your best interests at all times.

Upon your request, your IAR will explain to you the specific costs associated with any investments recommended to you.

You are under no obligation to purchase investment or insurance products or to implement any financial plan recommendations through your IAR. You may purchase those products and implement financial plan recommendations through the investment or insurance professional of your choice.

## ***Account Requirements and Types of Clients***

We provide advisory services primarily to individuals and families, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities.

As a condition for starting and maintaining a Wrap Fee Program account, we generally require that you have a minimum investment account of \$25,000. We, at our sole discretion, may allow you to engage our services if you have a smaller account. Some of the factors we consider in making this determination include pre-existing client relationships we may have with you or your family members, any additional assets you are anticipated to receive in the future, your account composition, and your anticipated future earning capacity.

At our discretion, we may consider the accounts of your family members in determining whether your account meets our minimum account size requirement.

## ***Portfolio Manager Selection and Evaluation***

Your IAR is the sole portfolio manager for your account in this Program.

Your IAR will design and recommend an investment portfolio based on the information he/she has received from you. IARs will use their own methodologies and strategies to create and manage portfolios. IARs may also use

unaffiliated service providers and/or specialized software to develop asset allocation models for your account.

You may impose restrictions on investing in certain types of securities in your account.

Your IAR will manage your portfolio on a discretionary basis or non-discretionary basis, as specified by you in writing. Your IAR will exercise discretion in a manner consistent with your stated investment objective for your account.

As mentioned above, the fee you pay for participation in the Program may be more than the costs associated with purchasing the securities outside the Program. This could recreate an incentive for the IAR to recommend the Program.

## ***Performance-Based Fees***

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. We do not charge performance-based fees on any of our client accounts.

## ***Methods of Analysis, Investment Strategies, and Risk of Loss***

Our IARs select specific investments for your portfolios through the use of fundamental and technical analysis.

Fundamental analysis is a method of evaluating a company that has issued securities by attempting to measure the value of its underlying assets. This entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in



determining the value of a company. The value is then compared to the current price of the company's securities to determine whether to purchase, sell or hold those securities.

Technical analysis is a method of evaluating securities by analyzing statistics associated with market activity, such as past prices and trading volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future performance.

The primary sources of information used to develop your portfolio include financial publications, research materials prepared by others, corporate rating services, annual reports, timing services, and regulatory filings.

The investment strategies of our IARs may include long-term and short-term investments. You may place reasonable restrictions on the strategies to be employed by your IAR in your account (such as, for example, the types of investments to be held in your account).

General economic conditions, current interest rates, the performance of a particular industry or a particular company, and any number of other factors can affect investment performance.

You should be prepared to bear the risk of loss. All investments are subject to the potential for loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings.

You should also be aware that transactions in the account (including account reallocations and rebalancing) may trigger a taxable event for you (unless your account is a qualified retirement account).

We manage wrap fee accounts and non-wrap fee accounts in the same manner.

## ***Voting Client Securities***

Our IARs do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, our IARs do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits.

We will, however, forward to you any information received by us regarding proxies and class action legal matters involving any securities held in your accounts.

## ***Client Information Provided to Portfolio Managers***

ASN obtains information about you through

- Paperwork you provide, such as the Confidential Investor Profile, and product applications
- Interviews and conversations with you and
- Product or service vendors related to your ASN account(s)

This information is updated when you communicate new information about your financial circumstances, objectives, or goals to your IAR.

ASN values you as a client and recognizes the importance of protecting the personal information you provide. ASN protects your information in accordance with our Privacy Statement which has been provided to you.

## ***Client Contact with Portfolio Managers***

You have ready access to your IAR, although they are not required to be available for unscheduled or unannounced visits or calls.

IARs are expected to periodically meet with you and generally be available to take your call on advisory-related matters. You are encouraged to contact your IAR with respect to any changes in your financial information that may affect the management of your account.

## **Additional Information**

### **Disciplinary Information**

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

### **Other Financial Industry Activities and Affiliations**

Our Managing Members, Thomas C. Prescott and David E. Paulukaitis, also own Mainstay Capital Markets Consulting, Inc. (“Mainstay”). Mainstay provides compliance consulting services to broker-dealers and investment advisers. The activities of Mainstay are wholly independent from our activities.

As previously noted, certain of our IARs may be registered representatives of broker-dealers unaffiliated with us. They may be licensed to sell insurance products through various insurance companies that are unaffiliated with us. You are under no obligation to utilize the services of your IAR in the purchase or sales of securities or insurance products through his/her association with a broker-dealer or insurance company. However, any transactions you may effect through your IAR in conjunction with those relationships may result in the receipt of commissions and other compensation in addition to any advisory fees that we charge. Your IAR may not purchase securities through his broker/dealer for inclusion in your Program account.

### **Code of Ethics; Participation or Interest in Client Transactions and Personal Trading**

We have adopted a *Code of Ethics* (“Code”) to address the securities-related conduct of our IARs and employees. The *Code* includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our IARs and employees be conducted in a manner consistent with the *Code* and avoid any actual or potential conflict of interest, or any abuse of an IAR’s or employee’s position of trust and responsibility;
- that IARs may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the *Code* to you or any prospective client upon request.

We do not buy or sell securities for our own account that we also recommend to you. Our IARs and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account.

The personal securities transactions by our IARs and employees may raise potential conflicts of interest when they trade in a security that:

- is owned by you, or
- is being considered for purchase or sale for your account.



We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our IARs and employees to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in an IAR or employee receiving a better price than a client.

Our IARs and employees must follow our procedures when purchasing or selling the same securities purchased or sold for your account.

### **Brokerage Practices**

We will generally recommend that the custodian/broker-dealer for your account be either Fidelity Brokerage Services, LLC (“Fidelity”) or Schwab Advisor Services division of Charles Schwab & Co., Inc. (“Schwab”) (together “custodian/broker-dealers”) although we may agree to employ the services of one or more other custodian/broker-dealers.

We are independently owned and operated and not affiliated with the custodian/ broker-dealers we recommend. Our use of a particular custodian/ broker-dealer is, however, a beneficial business arrangement for us and for the custodian/ broker-dealer. Information regarding the benefits of this relationship is described below.

In recommending a particular custodian/broker-dealer, we consider, at a minimum the;

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and

- types and quality of research.

The determining factor in the selection of a particular custodian/ broker-dealer to execute transactions for your accounts is not the lowest possible transaction cost, but whether they can provide what is in our view the best qualitative execution for investment transactions for your account.

The custodian/ broker-dealers provide us with access to their institutional trading and custody services, which include:

- brokerage;
- custody;
- research; and
- access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

We are not required to effect a minimum volume of transactions or maintain a minimum dollar amount of client assets with the custodian/ broker-dealers to receive these services.

The custodian/ broker-dealers also make available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- provide access to account data such as:
  - duplicate trade confirmations,
  - bundled duplicate account statements, and
  - access to an electronic communication network for client order entry and account information;
- facilitate trade execution, including:
  - access to a trading desk exclusively serving investment advisers, and

- access to bunched trading which provides the ability to combine securities transactions for multiple client accounts and then allocate the appropriate number of shares to each individual client account;
- provide research, pricing information and other market data;
- facilitate payment of our fees from client accounts; and
- assist with back-office functions, record keeping and client reporting; and
- receipt of compliance publications.

The custodian/ broker-dealers also make available to us other services intended to help us manage and further develop our business. These services may include:

- consulting;
- publications and conferences on practice management;
- information technology;
- business succession;
- regulatory compliance and
- marketing.

Certain of these services may be used to benefit all or a substantial number of our accounts, including accounts not maintained through each respective custodian/ broker-dealer. We do not attempt to allocate these benefits to specific clients.

Our custodian/ broker-dealers may also make available or arrange for these types of services to be provided to us by independent third-parties. They may discount or waive the fees they would otherwise charge for some of the services they make available to us. They may also pay all or a part of the fees of a third-party providing these services to us. Thus, we receive economic benefits as a result of our relationship with the custodian/ broker-dealers, because we do not have to produce or purchase these products and services.

Because the amount of the compensation we receive may vary depending on the custodian/broker-dealer we recommend to be used by our clients, we may have a conflict of interest in recommending one over another. We nonetheless strive to act in your best interests at all times.

You may direct us in writing to use a particular custodian/broker-dealer to execute some or all of the transactions for your account

We may engage in “bunched trading,” which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed.

Executing a bunched trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients.

Transactions for non-discretionary client accounts are generally not bunched with transactions for discretionary client accounts. Transactions for the accounts of our IARs and employees may be included in bunched trades. They will receive the same average price and pay the same commissions and other transaction costs, as clients.

Transactions for the accounts of our IARs or employees will not be favored over transactions for client accounts.

We are not obligated to include any client transaction in a bunched trade. Bunched trades will not be effected for any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

### ***Review of Accounts***

Our IARs regularly review your account to help ensure that your investment portfolio is consistent with your stated objectives and financial circumstances. Your IAR will contact you no less than annually (or more often as agreed upon with you) to review your account with you and to update your financial status, goals, objectives, liquidity needs, risk tolerances and other circumstances. These reviews also consider any investment restrictions you have requested.

We strongly encourage you to notify your IAR of any changes in your personal circumstances, goals or objectives, to help ensure that your Program account is managed in a manner that is appropriate for you.

In addition to the reviews conducted by your IAR, ASN staff periodically monitors all client accounts for consistency with the information that has been provided to us.

### ***Client Referrals and Other Compensation***

We may enter into written agreements with certain unaffiliated IARs and other professionals (such as CPAs, attorneys, etc.) to compensate them for referring clients to us. We will pay these individuals (referred to as "solicitors") a percentage of the advisory fee that you pay us if it is determined that you have become a client of ours as a result of their direct or indirect efforts.

The payments we make to a solicitor will not result in an increase in the amount of the advisory fee that the referred client will pay.

Our solicitation or referral arrangements will comply with applicable laws that govern:

- the nature of the services provided;
- the fees to be paid;
- disclosure of solicitor arrangements to clients; and
- client consents, as required.

Additionally, we receive certain economic benefits as a result of our participation in Fidelity's institutional brokerage program. Those benefits include products and services that assist us in managing and administering client accounts, including software, technology, and research. These benefits are described in more detail in ASN's Brochure in the section entitled "Brokerage Practices."

### ***Financial Information***

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you. We have not been the subject of any bankruptcy proceedings.