

Item 1 - Cover Page

DISCLOSURE BROCHURE - Form ADV, Part 2A – Dated January 23, 2012

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This brochure provides information about the qualifications and business practices of Montebello Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 845-368-2900 or info@thebetafund.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. The use of the term “Registered Investment Advisor” does not imply a certain level of skill or training.

Additional information about Montebello Partners, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

Background:

On July 28, 2010, the United State Securities and Exchange Commission published Amendments to Form ADV” which amend the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 23, 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this Document is materially different in structure and contains certain new information that our previous brochure did not.

In the future, this Item will discuss only specific material changes that are made to the Brochure and we will provide clients with a summary of such changes. We will also reference the date of the last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to the new SEC Rules we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We will also provide other ongoing disclosure information about material changes as necessary, without charge.

We will provide you with a new Brochure as necessary based on changes or significant new information, at any time, without charge. You may also request a copy of this brochure by contacting us at (845) 368-2900 or info@thebetafund.com. You may also download a copy of our Brochure from our web site at www.thebetafund.com, free of charge.

Material Changes:

Beginning February 1, 2012, we present a new offering called the **Alpha Variance Portfolio**. This is a rules based, disciplined investment process that incorporates buy/sell signals based on technical data derived from real-time market data. Initially, this offering will be made available to RIA’s and Broker Dealers only for Exchange Traded Fund (ETF) based strategies.

Item 3 - Table of Contents

Item 1 - Cover Page	1
Item 2 - Material Changes.....	2
Background:.....	2
Material Changes:	2
Item 4 - Advisory Business.....	4
A. Firm Description/Principal Owner.....	4
B. Types of Advisory Services	4
C. Tailored Relationships.....	4
D. Wrap Fee Programs.....	4
E. Assets Under Management.....	4
Item 5 - Fees and Compensation.....	5
A. Investment Fund Management.....	5
B. Alpha Variance Portfolio	5
Item 6 – Performance-Based Fees and Side-By-Side Management	5
Item 7 – Types of Clients.....	5
Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss	5
Item 9 – Disciplinary Information	7
Item 10 – Other Financial Industry Activities and Affiliations	7
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.	8
Item 12 – Brokerage Practices	8
Item 13 – Review of Accounts.....	9
Item 14 – Client Referrals and Other Compensation.....	9
Item 15 – Custody	9
Item 16 – Investment Discretion.....	10
Item 17 – Voting Client Securities.....	10
Item 18 – Financial Information	10

Item 4 - Advisory Business

A. Firm Description/Principal Owner

Montebello is an SEC registered Investment Advisor providing advice to Investment Companies. Montebello is a Delaware Limited Liability Company founded in 2008. The principal owner is Oliver Pursche.

B. Types of Advisory Services

Investment Fund Management. The Advisor actively manages on a discretionary basis an investment company known as the GMG Defensive Beta Fund.

Alpha Variance Portfolio. The Advisor will offer to Broker Dealers or Registered Investment Advisory Firms (no individuals) Research and Tactical Asset Allocation Models that the client can use for their own accounts or the accounts of their clients. There are two options for the client:

1. Self-Directed. Montebello will send implementation and trade signals via a secure portal or e-mail. It is then up to the broker or advisor to place trades or offer additional input.
2. Sub Advised. Montebello may act as a sub advisor to a registered investment advisor utilizing a third party SMA or Trading platform. In addition to the provision of implementation and trade signals, Montebello will place the trades through the Trading platform. The advisor will remain responsible for custody, clearing, and transaction costs on the accounts.

C. Tailored Relationships

Montebello's advisory services are not offered to the general public. Montebello will tailor advisory services to the needs of the broker dealer, registered investment advisory firm, or investment company.

D. Wrap Fee Programs

Montebello does not offer Wrap Fee Programs.

E. Assets Under Management

In the Investment Fund Management program, Montebello has total assets under management of \$19,456,588.

Item 5 - Fees and Compensation

A. Investment Fund Management

With respect to Investment Fund Management, Montebello receives a management fee in the amount of 1.25% of the assets in the GMG Defensive Beta Fund, currently the firm's sole client. Breakpoints may be applicable when this or future funds under its management reach certain milestones per the fund's prospectus.

B. Alpha Variance Portfolio

With respect to the Alpha Variance Portfolio Program, the following fees apply.

1. Self- Directed: Montebello will charge 25 basis points (0.25%) annually on the assets managed by the client.
2. Sub Advised: Montebello will charge 50 basis points (0.50%) exclusive of any applicable platform fees.

Item 6 – Performance-Based Fees and Side-By-Side Management.

Montebello does not charge performance-based fees and does not participate in side-by-side management.

Item 7 – Types of Clients

Investment Fund Management. The Advisor actively manages on a discretionary basis an investment company known as the GMG Defensive Beta Fund.

Alpha Variance Portfolio. The Advisor will provide services to Broker Dealers or Registered Investment Advisory Firms (no individuals).

Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss

Montebello employs the following analytic methods: Charting, Fundamental, and Technical.

Montebello uses the following main sources of information: financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the SEC, company press releases, and direct meetings and interviews with other portfolio managers and company officials.

Montebello uses a number of investment strategies in the management of the fund.

1. Long-Term Purchases: Montebello purchases securities with the idea of holding them in the client's account for a year or longer.

Typically Montebello employs this strategy when:

- Montebello believes the securities to be currently undervalued; and/or,
- Montebello wants exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, Montebello may not take advantage of short-term gains that could be profitable to a client. Moreover, if Montebello's predictions are incorrect, a security may decline sharply in value before Montebello makes the decision to sell.

2. Short-Term Purchases: When utilizing this strategy, Montebello purchases securities with the idea of selling them within a relatively short time (typically a year or less). Montebello does this in an attempt to take advantage of conditions that Montebello believes will soon result in a price swing in the securities purchased. Montebello rarely utilizes this strategy.

3. Trading: Montebello purchases securities with the idea of selling them very quickly (typically within 30 days or less). Montebello does this in an attempt to take advantage of predictions of brief price swings. Montebello rarely utilizes this strategy.

4. Short Sales: Montebello borrows shares of a stock for the client's portfolio from someone who owns the stock on a promise to replace the shares on a future date at a certain price. Those borrowed shares are then sold. On the agreed-upon future date, Montebello buys the same stock and returns the shares to the original owner. Montebello engages in short selling based on Montebello's determination that the stock will go down in price after Montebello has borrowed the shares. If Montebello is correct and the stock price has gone down since the shares were purchased from the original owner, the client account realizes the profit. Montebello rarely utilizes this strategy.

5. Margin transactions: Montebello will purchase stocks for the client's portfolio with money borrowed from the client's brokerage account. This allows the client to purchase more stock than the client would be able to with the cash that is available, and allows Montebello to purchase stock without selling other holdings. Montebello rarely utilizes this strategy.

6. Option writing: Montebello may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset. Montebello rarely utilizes this strategy.

The two types of options are calls and puts:

- A call gives Montebello the right to buy an asset at a certain price within a specific period of time. Montebello will buy a call if Montebello believes that the stock will increase before the option expires, or as a hedge for a short position.
- A put gives Montebello the right to sell an asset at a certain price within a specific period of time. Montebello will buy a put if Montebello believes that the price of the stock will fall before the option expires, or as a hedge to a long position.

Montebello will use options to speculate on the possibility of a sharp price swing. Montebello will also use options to "hedge" a purchase of the underlying security; in other words, Montebello will use an option purchase to limit the potential upside and downside of a security that has been purchased or shorted in the client's portfolio.

Montebello uses "covered calls," in which Montebello sells an option on a security owned by the client. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

Montebello uses a "spreading strategy", in which Montebello purchases two or more option contracts (for example, a call option that the client buys and a call option that the client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

Risk of Loss: Securities investments are not guaranteed and the client may lose money on investments. The client should be prepared to bear those losses. Montebello asks that the client work with Montebello to help Montebello understand the client's tolerance for risk.

Item 9 – Disciplinary Information

Montebello is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of the Advisor's advisory business or the integrity of the Advisor's management.

Montebello and its management personnel have no reportable disciplinary events to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

The five members of Montebello, Oliver Pursche, Gary Goldberg, Richard Kersting, William Krivicich, and Thomas Cattani, are employees/broker-dealers of Gary Goldberg & Co., Inc., Member FINRA and SIPC (GGCo) and are employees/registered representatives of Gary Goldberg Planning Services, Inc., a Registered Investment Advisory firm (GGPS).

To implement a portfolio, Montebello opened a dedicated brokerage account at GGCo and GGCo charges a fee or commissions for transactions consummated on Montebello's behalf.

Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Montebello has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. Montebello's Code of Ethics describes the firm's fiduciary duties and responsibilities to clients, and sets forth Montebello's practice of supervising the personal securities transactions of supervised persons with access to client information. Individuals associated with Montebello may buy or sell securities for their personal accounts identical to or different than those recommended to clients. It is expressed policy of Montebello that no person employed by the firm shall prefer his or her own interest to that of an advisory client or make personal investment decisions based on the investment decisions of advisory clients. All purchases are subject to holding period pursuant to the firm's policies and procedures.

To supervise compliance with its Code of Ethics, Montebello requires that individuals associated with our firm who have access to non-public information regarding advisory recommendations or transactions to advisory client accounts provide annual securities holdings reports and monthly statements (or quarterly, if no monthly statement is generated) to the firm's Chief Compliance Officer. Montebello requires such access persons to also receive approval from the Chief Compliance Officer prior to investing in any IPO's or private placements (limited offerings).

Montebello requires that all individuals act in accordance with all applicable Federal securities laws. Montebello's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Any individual not in observance of the above may be subject to discipline. Montebello will provide a complete copy of its Code of Ethics to any client upon written request to the Chief Compliance Officer at Montebello's principal address.

Item 12 – Brokerage Practices

1. Research and other Soft Dollar Benefits. Montebello does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.
2. Brokerage for Client Referrals. Montebello does not receive client referrals from broker/dealers.
3. Directed Brokerage. Montebello's members are affiliated with GGCo, a registered broker-dealer and member of FINRA. Transactions for the purchase or sale of securities and other investments in the accounts are generally effected through GGCo. Therefore, Montebello is effectively recommending that GGCo and its clearing firm, National Financial Services (NFS) be used as broker-dealer for the accounts.

Montebello utilizes GGCo because Montebello is an affiliate and the firm is therefore able to achieve greater operational efficiency and economies of scale. Montebello also believes that this recommendation is in the best interests of its clients as the affiliation permits discounted commission rates; a comprehensive execution and account servicing platform; experience with and familiarity with NFS's system by Montebello associates and employees; and Montebello's generally high opinion of NFS's customer service.

Other considerations are the technological access to NFS available to GGCo and Montebello. Montebello also believes that customers are well-served by NFS's ability to clear a wide range of assets.

Clients should understand that Montebello has a conflict of interest in recommending its affiliated broker-dealer and in recommending the associated services of GGCo's clearing firm. As GGCo processes more accounts and transactions through NFS, it may be able to use these transactions to meet its minimum monthly clearing fees. This provides a benefit to GGCo, even if no additional commissions are charged. In addition, GGCo receives other fees from NFS, such as rebates on money market or margin account balances, based on accounts and balances carried with NFS.

Item 13 – Review of Accounts

William Krivicich, the firm's Chief Investment Officer, reviews client accounts on weekly basis and meets with the firm's investment committee, which includes Richard Kersting and Oliver Pursche, at least monthly to review the account and determine whether the accounts are within their stated guidelines.

Item 14 – Client Referrals and Other Compensation.

It is Montebello's policy not to engage solicitors or pay related or non-related persons for referring potential clients to the firm.

It is Montebello's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards, or other prizes, from a non-client in conjunction with the advisory services provided by Montebello.

Item 15 – Custody

Montebello does not take custody of client's funds and it therefore does not issue accounts statements, although it may generate some account documentation for use at client meetings. Clients should receive account statements from the qualified custodian that holds and maintains client's investment assets on at least a quarterly basis. Montebello urges clients to carefully review these statements.

Item 16 – Investment Discretion

Montebello has the authority to determine (1) the securities to be bought or sold and (2) the amount of the securities to be bought or sold without consent of the clients.

Montebello, in its sole discretion, has the authority to determine (1) the securities to be bought or sold, (2) the amount of securities to be bought or sold, and (3) the broker or dealer to be used.

Where Montebello refers a client to GGCo as introducing broker dealer for execution, Montebello may effectively have discretionary authority to determine commission rates. Montebello will ensure that GGCo charges rates that are either (1) specially-negotiated to reflect discounts available by virtue of the affiliation between GGCo and Montebello; or (2) competitive with other full-service brokerage firms offering execution and other services. Montebello cannot, however, guarantee that the commissions charged by any broker-dealer used for execution will be the lowest available rates. Clients may be able to obtain similar services at higher or lower commission rates.

Montebello or GGCo may, but shall not be obligated to, aggregate orders for advisory accounts with orders for other advisory accounts or clients. Montebello or GGCo will allocate securities so purchased or sold, as well as the expense incurred in the transaction, in a manner that it considers to be so equitable and consistent with its fiduciary obligations to clients. Montebello or GGCo will assign accounts the average price resulting from such aggregated trades.

Item 17 – Voting Client Securities

Montebello will vote proxies in the best interest of the company and will disclose material conflicts of interest. Montebello will provide a copy of its Proxy Voting procedures to any client upon written request to the Chief Compliance Officer at Montebello's principal address.

Item 18 – Financial Information

Montebello does not require or solicit prepayment of more than \$1,200.00 in fees per client, six months or more in advance.

Montebello has never been the subject of a bankruptcy petition.