

**PART 2A OF FORM ADV:
FIRM BROCHURE
FOR INSTITUTIONAL CLIENTS**

ITEM 1. COVER PAGE

OCTOBER 2012

**STERLING GLOBAL STRATEGIES
1808 ASTON AVENUE #245
CARLSBAD, CA 92008**

**FIRM CONTACT: GREG CARROLL, CHIEF COMPLIANCE OFFICER
FIRM WEBSITE ADDRESS: WWW.STERLINGWMG.COM**

This brochure provides information about the qualifications and business practices of Sterling Wealth Management Group, Inc. dba Sterling Global Strategies. If you have any questions about the contents of this brochure, please contact by telephone at (760) 603-8881 or email at greg@sterlingwmg.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 Sterling Wealth Management Group, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov

Please note use of the term "registered investment adviser" and description of Sterling Wealth Management Group, Inc. and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firms' associates which advise you for more information on the qualifications of our firm and its employees.

ITEM 2. MATERIAL CHANGES

Sterling Global Strategies is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Please note we do not have to provide this information to a client or prospective client who has not received a previous version of your brochure.

Our last annual amendment filing was 03/30/2012. We have made a material change to our firm's practice. We have also established a relationship with Comprehensive Asset Management, an SEC registered broker-dealer and FINRA member and no longer conduct non-advisory business through Torrey Pines Securities.

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ITEM 4. ADVISORY BUSINESS

A. Description of our advisory firm, including how long we have been in business and our principal owner(s)¹.

We are dedicated to providing investment advisory services to both institutional and retail clients. Our firm is a corporation formed in the State of California. Our advisory representatives have a combined financial industry experience of over 85 years. Sterling Global Strategies has been registered with the SEC as an investment adviser since 2010 and is owned as follows:

Greg Carroll, Managing Member and Chief Compliance Officer, 50% owner;

Michael Haig, Managing Member of the firm, 50% owner.

B. Description of the types of advisory services we offer.

Sterling Global Strategies:

- Sterling Global Strategies provides advisory services to other financial professionals and their clients

SGS utilizes a proprietary tactical investment model that uses relative strength and moving-price averages to determine an investment's ability to achieve a positive return. We don't try to guess the market's direction or predict future economic events. Our strategies use a diversified mix of low-correlating asset classes chosen for the potential to achieve positive returns while mitigating market risk. The relative strength and moving-average components of the process will enable the team to identify the most attractive asset classes for investment options. In the end, our strategies are designed to outperform the domestic stock market while providing downside protection. We analyze unique asset classes that display historically low correlation on a monthly basis. We then select equally weighted asset classes that demonstrate the most compelling positive movements in price. We then apply an overlay of each asset classes' moving average to verify whether or not a security should be bought or sold on generally the last trading day of each month. After we construct the portfolio it is held and reviewed until the next trading opportunity. Our portfolio structure is a fund of funds type of structure using SEC registered open-end mutual funds, exchange traded funds (ETFs), and money market accounts. We generally trade on the last trading day of each month, based on strong signals from an asset class' relative strength and moving average. The investment minimum is \$250,000.

¹ Please note that: (1) For purposes of this item, our principal owners include the persons we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV: Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

- C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of clients, whether clients may impose restrictions on investing in certain securities or types of securities.

Individual Tailoring of Advice to Clients:

In certain circumstance we can tailor an investment model to meet the client's needs. Generally, however, we do not offer individualized investment advice. .

Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account.

- D. Participation in wrap fee programs.

We do not offer wrap fee programs.

- E. Disclosure of the amount of client assets we manage on a discretionary basis and the amount of client assets we manage on a non-discretionary basis as of December 31, 2011.

We manage² \$107,000,000 on a discretionary basis and \$13,000,000 on a non-discretionary basis as of December 31, 2011.

² Please note that our method for computing the amount of "client assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "client assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our Brochure in response to Item 4.E of Form ADV Part 2A.

ITEM 5. FEES AND COMPENSATION

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for your advisory services. Our fees are negotiable in certain circumstances generally based on the scope of the engagement. Client's first payment will include the pro-rated amount for the remaining days of the first quarter as well as the fees for the second quarter.

A. Description of how we are compensated for our advisory services provided to you.

Sterling Global Strategies

Advisory fees for asset management services are agreed upon at the time of engagement. Our fees are charged quarterly in advance and are based upon the market value of the portfolio, set forth by the custodian, as of the last market day of the relevant calendar month. Where services are initiated at any time other than the beginning of a calendar quarter, advisory fees will be pro-rated. Any additions of \$25,000 or more deposited to existing accounts will also be pro-rated. We reserve the right to modify fees (higher or lower) as outlined on the fee scale noted below, depending upon the nature of the engagement, complexity of services, time to be incurred, for pre-existing relationships, or other special situations and at our discretion.

Portfolio Size	Annual Investment Management Fee
\$0 - \$5,000,000	0.85%
\$5,000,000 - \$20,000,000	0.80%
\$20,000,000 - \$40,000,000	0.70%
Above \$40,000,000	0.65%

In the rare case where there is an absence of a portfolio value we will utilize at least one independent third party to assess the value of the particular holding. We reserve the right to modify the asset management fee for existing clients with 30 day's notice. This may occur when your circumstances or service needs have changed significantly. We may agree to waive fees at our discretion. Should you have more than one account with us; balances will be aggregated when determining fees. You are welcome to terminate services at any time without a termination fee; however a pro-rated service fee may still apply.

B. Description of whether we deduct fees from clients' assets or bill clients for fees incurred.

Sterling Global Strategies:

Our firms' fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will generally be automatically deducted from your managed account*. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;
- c) If we send a copy of our invoice to you, we send a copy of our invoice to the independent custodian at the same time we send the invoice to you;
- d) If we send a copy of our invoice to you, our invoice includes a legend as required by paragraph (a)(2) of rule 206(4)-2 under the Investment Advisers Act of 1940.**

*In rare cases, we will agree to direct bill clients. We do not offer direct billing as an option to our asset management clients.

**The legend urges the client to compare information provided in their statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

C. Description of any other types of fees or expenses clients may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executing in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm trades are executed through. Also, clients will pay the following separately incurred expenses, of which we do not receive any part: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

D. Client's advisory fees are due quarterly in advance.

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

E. Commissionable securities sales.

Our supervised persons are registered representatives of Comprehensive Asset Management, member FINRA/SIPC which clears and executed trades through National Financial Service, LLC (NFS), a member of the New York Stock Exchange and SIPC. As registered representatives our supervised persons may suggest that advisory clients purchase products and/or place transactions through Comprehensive Asset Management. Under such circumstances, these supervised persons may receive normal commissions, thus a conflict of interest exists between our interests and that of our clients since there is incentive to recommend investment products based on the compensation received, rather than on client's needs. Such conflicts are disclosed to clients prior to investing. Advisory fees are generally not reduced in situations where commissions are charges. Clients are under no obligation to purchase products recommended through us, Comprehensive Asset Management, or insurance companies. Clients have the option to purchase

investment products that we recommend through other brokers or agents that are not affiliated with Sterling Global Strategies.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge performance fees to our clients.

ITEM 7. TYPES OF CLIENTS AND ACCOUNT REQUIREMENTS

We provide services for other advisers and financial professionals. We require minimum account balances ranging from \$50,000 to \$250,000 depending on the platform the end-client is using. Generally, this minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with our firm.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Your participation and the client's delivery of accurate and complete information are critical to this process. Investment strategies may be based upon a number of factors determined by the type of investor. Sterling Global Strategies provides advisory services for multiple portfolios designed to help meet the varying needs of investors. The primary adviser selects the strategy combination best suited to their individual needs after clients have defined their objectives, risk tolerance and time horizons.

Portfolio holdings are generally derived through methods associated with quantitative analysis. We place more emphasis on "technical" screens rather than "fundamental" screens. Investors should not expect to remain fully invested at all times as most other advisory programs maintain the ability to move into "money market" or "defensive" positions. Additionally, some of the other advisory programs maintain the ability to invest in "inverse" or "leveraged" products which may carry a higher level of risk. Many of our strategies may utilize short-term trading strategies in an effort to capitalize upon market trends.

As part of our research, we often conduct quantitative back tested simulations to see how a particular model may have performed over different market periods. It is important to understand that hypothetical performance results have certain inherent limitations. Unlike an actual performance record, simulated trades do not represent actual trading. Also, since the trades have not actually been executed, the results may have over or under compensated for the impact, if any, of certain market factors such as lack of liquidity. You may have done better or worse than results derived from back testing. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown in any hypothetical research report. Numerous publicly available sources of economic, financial and investment research are used by the Adviser to aid in investment decisions. Asset allocation software and historical performance

modeling software may also be utilized. Our clients are encouraged to discuss any questions that may arise regarding investment policies throughout the course of our engagement.

We generally do not consider tax consequences when purchasing or selling a security. The sale of investments may cause taxable gains or losses to the client. You are welcome and encouraged to consult your independent personal tax adviser about tax consequences resulting from transactions or any particular investment held in your account. The majority of our programs trade frequently. Frequent trading of securities may affect investment performance through increased brokerage costs and through tax implications.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to comprehensive portfolio management, asset management service and portfolio monitoring, as applicable.

ITEM 9. DISCIPLINARY INFORMATION

We are required to disclose whether there are legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a management person has been involved in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the management person's favor, or was reversed, suspended or vacated, or (2) the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final order, judgment, or decree was entered, or the date that any rights of appeal from preliminary orders, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a management person has been involved in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a client's or prospective client's evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a client's or prospective client's evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

- A. Our firm or our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. The details are as follows:

Our Managed persons are registered representatives of Comprehensive Asset Management and Services, Inc. ("CAMAS") member FINRA/SIPC which clears and executed trades through Pershing, LLC and/or National Financial Service, LLC (NFS), a member of the New York Stock Exchange and SIPC.

- B. Our firm or our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities. The details are as follows:

We have determined we have nothing to disclose in this regard.

- C. Description of any relationship or arrangement that is material to our advisory business or to our clients, that we or any of our management persons have with any related person listed below. We are required to identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how we address it.

Mr. Carroll, Mr. Haig and Mr. Bondy are a registered representative of CAMAS, an SEC registered broker-dealer and FINRA member. In their separate capacity as registered representatives, these gentlemen may earn commissions from securities sales. These sales would be executed through CAMAS.

- D. If we recommend or select other investment advisers for our clients and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

We have determined we have nothing to disclose in this regard.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts³. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- B. If our firm or a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), we must describe our practice and discuss the conflicts of interest it presents.

We have determined we have nothing to disclose in this regard.

- C. If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

³ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- D. If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this brochure. Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

ITEM 12. BROKERAGE PRACTICES

- A. Description of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

1. Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

We have no custodial relationships for institutional clients' accounts and do not recommend any broker-dealer for client transactions and have no soft dollar arrangements with custodians for these accounts.

- 2) Brokerage for Client Referrals. If we consider, in selecting or recommending broker-dealers, whether our firm or a related person receives client referrals from a broker-dealer or third party, we are required to disclose this practice and discuss the conflicts of interest it create.

Our firm does not receive brokerage for client referrals.

- 3) Directed Brokerage.

- a. If we routinely recommend, request or require that a client directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their clients to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best

execution of client transactions, and that this practice may cost our clients more money.

We do not routinely recommend, request or require that a client directs us to execute transactions through a specified broker-dealer.

Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

- b. If we permit a client to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost clients more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

Investors through their primary advisers must have established relationships for the custody of their asset prior to primary advisers engaging us to provide advisory services.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various client accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to clients of not bunching.

There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are effected only when we believe that to do so will be in the best interest of the affected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

ITEM 13. REVIEW OF ACCOUNTS OR FINANCIAL PLANS

As third party money managers we do not perform reviews of client accounts. We do not provide written or verbal updated reports. Please review the disclosure brochures of the primary adviser for more information on review of accounts and written or verbal reports.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

- A. If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

The Sterling Global Strategies services provided will be based upon the investor's primary advisers data-gathering with their client and the directives provided to us. Investors utilizing these services must understand that they are accessing the investment management services of Sterling Global Strategies through an unaffiliated personal investment adviser or financial intermediary who will provide the investor with ongoing discretionary or non-discretionary advisory services. The investor's personal adviser or intermediary is responsible for evaluating Investor's situation, gaining an understanding of investor's objectives, time horizon and risk tolerance; providing the investor with education on investment concepts; recommending an appropriate portfolio to investor; communicating necessary directions relating to the portfolio management and changes desired within investor's accounts to Sterling Global Strategies; and consulting with the investor periodically to ensure that the recommended portfolio is suitable for the investor based on information Investor provides. The investors' personal adviser or financial intermediary is also responsible for the performance reviews of the investor's account, Sterling Global Strategies' performance of services, for explaining portfolio strategies and transactions, and to remain available to answer investor questions.

In providing these independent investment management services, we will manage investor funds in accordance with a model portfolio or other investment plan selected by the investor and the investor's personal investment adviser or financial intermediary. Thereafter, we will provide ongoing monitoring and rebalancing of the portfolio in accordance with the directives provided.

Every investor is obligated to promptly notify their personal investment adviser or financial intermediary of any changes of a personal or financial nature that may materially affect investor's risk profile and consequently, the investment strategy and/or decisions employed in the managed portfolio. The investor's personal investment adviser or financial intermediary will evaluate such information and is obligated to promptly communicate directions to us in accordance with the terms of the agreement between Sterling Global Strategies and the investor's personal investment adviser or financial intermediary.

- B. If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, we are required to describe the arrangement and the compensation.

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 in regard to our institutional and financial professional clients. However, we may pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of retail clients to our firm in accordance with Rule 206 (4)-3 of the Investment Advisers Act of 1940. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain Solicitors Agreements in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

ITEM 15. CUSTODY

- A. If we have custody of client funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) does not send account statements with respect to those funds or securities directly to our clients, we must disclose that we have custody and explain the risks that you will face because of this.

We do not have custody of client funds or securities.

- B. If we have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our clients, we are required to explain that you will receive account statements from the broker-dealer, bank or other qualified custodian and that you should carefully review those statements.

Please refer to the primary adviser's disclosure brochures for information about statements from the clients' qualified custodian.

ITEM 16. INVESTMENT DISCRETION

If we accept discretionary authority to manage securities accounts on behalf of clients, we are required to disclose this fact and describe any limitations our clients may place on our authority. The following procedures are followed before we assume this authority:

We may accept discretion authority over client accounts. Our clients need to sign a discretionary investment advisory agreement with their primary adviser as well as a sub-advisory agreement for us to manage these accounts.

ITEM 17. VOTING CLIENT SECURITIES

- A. If we have, or will accept, proxy authority to vote client securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy vote or other solicitation.

ITEM 18. FINANCIAL INFORMATION

- A. If we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we are an SEC-registered adviser and have discretionary authority or custody of client funds or securities, or we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

We have nothing to disclose in this regard.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.