



Ascende Wealth Advisers, Inc.

2700 Post Oak Boulevard, 25th Floor

Houston, Texas 77056

(713) 629-9666

March 29, 2012

This Brochure provides information about the qualifications and business practices of Ascende Wealth Advisers, Inc. If you have any questions about the contents of this Brochure, please contact Rob Massa at (713) 629-9666 and/or rob.massa@ascende.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. Ascende Wealth Advisers, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training.

Item 2 – Material Changes

This item is used to discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. Ascende Wealth Advisors, Inc. (“AWA” or the “Firm”) will ensure that clients receive a summary of any materials changes to this and subsequent Brochures within 120 days of its business’ fiscal year-end. Further, AWA will provide clients with a new Brochure, as necessary, based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Rob Massa at (713) 629-9666 or via email at rob.massa@ascende.com.

Additional information about AWA is also available via the SEC’s Web site at www.adviserinfo.sec.gov. The SEC’s Web site also provides information about any persons affiliated with AWA who are registered, or are required to be registered, as investment adviser representatives of the Firm.

As this is the Firm’s initial annual update, the Firm has not information to disclose under this Item.

Table of Contents

ITEM 1 - COVER PAGE.....	1
ITEM 2 – MATERIAL CHANGES	2
ITEM 3 - TABLE OF CONTENTS	3
ITEM 4 – ADVISORY BUSINESS	4
ITEM 5 – FEES AND COMPENSATION	4
ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	6
ITEM 7 – TYPES OF CLIENTS.....	6
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	6
ITEM 9 – DISCIPLINARY INFORMATION.....	9
ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	9
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN /CLIENT TRANSACTIONS AND PERSONAL TRADING.....	9
ITEM 12 – BROKERAGE PRACTICES.....	10
ITEM 13 – REVIEW OF ACCOUNTS	10
ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION	11
ITEM 15 – CUSTODY	11
ITEM 16 – INVESTMENT DISCRETION.....	11
ITEM 17 – VOTING CLIENT SECURITIES	11
ITEM 18 – FINANCIAL INFORMATION	11

Item 4 – Advisory Business

AWA was formed in October 2010 and is owned by Employee Benefits Solutions, Inc. (“EBS”) which is, in turn, owned by James Watt. The Firm provides investment advisory services on a nondiscretionary basis to qualified retirement plans. AWA provides fiduciaries to Qualified and Nonqualified retirement plans assistance and guidance in establishing plan objectives and criteria for selecting appropriate asset classes. Further, it assists in the selection and ongoing performance monitoring of the specific investment options offered under the plan. AWA will tailor asset allocation strategies for ERISA defined contribution and defined benefit plans to meet the requirements of the plan and to satisfy the fiduciary obligations of the trust. AWA may provide Plan fiduciaries with support and assistance in explaining the plan to the plan participants and providing some basic educational information to participants regarding asset classes and asset allocation. As of December 31, 2011, the Firm has \$536,209,204.00 in assets under management.

Item 5 – Fees and Compensation

AWA offers two basic fee schedules, a Flat Advisory Fee or an Asset Based Advisory Fee. The Flat Advisory is billed in advance while the Asset Based Advisory Fee may be billed in advance or arrears. Both fees are normally billed on a quarterly basis. Below are AWA’s basic fee schedules.

OPTION #1: Flat Advisory Fee

Annual amount for AWA	Frequency of Payment	Billing and Payment	Special Considerations
{Amount}	Quarterly	Billed on first day of each calendar quarter.	8% cost of living adjustment on a bi-annual basis. First adjustment effective on the second anniversary.

OPTION #2: Asset Based Advisory Fee (billing in advance or arrears)

Asset based fees will be invoiced on a quarterly basis. The applicable amount due will be computed by applying the following applicable annual percentage rate to the market value of the assets of the Plan based upon whether the Plan has chosen to be billed in advance or arrears:

Amount Invested	Quarterly Rate	Annualized Rate	Special Considerations
	%	%	
	%	%	
	%	%	
	%	%	

For Plans billed in arrears, if a reduction of Account assets during a calendar quarter representing substantially all of Account assets occurs, the quarterly fee, prorated to the date of such reduction, shall become payable immediately. Prorated fees shall be determined by computing the average of the value of Account assets subject to this Agreement on the last business day of the preceding calendar quarter, and on the business day immediately prior to the reduction date. The fee rate shall be determined by multiplying the quarterly fee rate times the ratio of the number of days in the quarter prior to the reduction to the number of days in the quarter.

AWA may also perform additional services for clients that may include those listed below. As each client relationship is different, the fees for the additional services will be determined based upon the facts and circumstances of each relationship. The specific fees will be established in each client's Retirement Plan Advisory Services Agreement.

Investment Committee Formation

Assist Trustees in establishing guidelines for the operation of the Plan Investment Committee. This will include:

1. Drafting written documentation regarding the formation of the Investment Committee including: the committee's purpose, powers, structure, limits of authority, policies and procedures; and assistance in appointing members.

Act as Secretary for Investment Committee. This will include:

1. Recording committee minutes;
2. Maintaining committee record; and
3. Attending quarterly investment committee meetings.

Conduct informational/educational meetings.

Conduct informational/educational group meetings with Plan participants at the initial installation of the Plan, and periodically thereafter as mutually agreed between client and AWA regarding:

1. General investment concepts;
2. Investment objectives and performance of selected investments; and
3. Investment allocations and strategies available to meet various investment objectives.

Provide individual counseling to Plan Participants.

Provide individual counseling to client's Plan participants in the scope and at the times mutually agreed upon between client and AWA. Such counseling shall not include specific investment recommendations to any participant.

To the extent mutual funds are selected to fill components of the overall investment strategy, the annual advisory fee set forth above does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with mutual funds including Rule 12b-1 fees and expenses. Client is advised, that, in addition to the annual advisory fee set forth above, each mutual fund in which assets are invested will incur separate investment advisory fees and other expenses for which client will bear a proportionate share.

Additionally, the advisory fee does not include certain costs or charges associated with securities transactions with or through a broker/dealer including brokerage commissions and dealer mark-ups or mark-downs in principal transactions or stock exchange fees, transfer taxes or other charges mandated by law, which will be separately charged to the client's account. AWA will not receive any portion of either the mutual fund investment advisory fee or any transaction based fees. Fees are negotiable depending upon the facts and circumstances of each client.

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

AWA does not charge any performance-based fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 – Types of clients

AWA provides investment advisory services to qualified retirement plans on a nondiscretionary basis. AWA requires Plan Sponsors to have at least \$1,000,000 in assets, or at least \$250,000 in projected annual contributions in the plan in order to enter into an agreement. This requirement may be adjusted by AWA based upon the facts and circumstances of each client relationship.

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

AWA uses a proprietary screening and tracking methodology focused around the concepts of risk-adjusted return to develop its investment recommendation. Since our principal clients are qualified retirement plans, our strategies are built around long-term investment assumptions designed at helping employees to accumulate assets for their retirement years. The first step in our process is to understand the employer sponsoring the plan, the plan's design and the general dynamics of the employee population. From this information, we create an investment lineup for the plan that covers a broad variety of asset and sub-asset classes with varying investment correlations. We evaluate investments by reviewing their three year, five year and 10 year investment returns on an average annual return, their risk-adjusted returns as determined using their Sharpe Ratio, Information Ratio, Sortino Ratio, as well as their risk levels measured by standard deviation and beta. We also evaluate a funds expense ratio, style drift from its stated objectives and the level of asset turnover. Furthermore, we regularly visit with representatives of the investment manager via conference call, Webinar, face-to-face visits inside AWA's offices and site visits to their locations to better understand their philosophies, methods and strategies. Members of the plan's investment committee are regularly informed about the potential risks associated with each investment option, including the risk of loss, in part or in whole. Where AWA may conduct educational meetings directly with plan participants, the participants are also educated on the various risks associated with each investment, including the risk of part or all of their invested amounts.

Our strategies are based primarily on the investment managers we recommend, select and monitor to offer as underlying investments in the qualified plans of our advisory clients. AWA does not directly control the assets or underlying securities of the mutual funds, common collective trust funds, insurance separate accounts or separately managed accounts that are recommended to our advisory clients. We utilize our knowledge and experience to help select, monitor and replace the investment managers based on the needs of the plan, the employer who sponsored the plan and, most importantly, the plan participants who invest in them.

Primarily, we recommend mutual funds, common collective trust funds, insurance separate accounts or separately managed accounts to our retirement plan clients. The investment types, while offering less risk exposure than singular securities, are exposed to many of the types of risk commonly associated with investing, including, but not limited to: Credit Risk, Counter-Party Risk, Currency Risk, Debt Securities Risk, Equity Risk, Foreign Securities Risk, Emerging Markets Risk, Interest Rate Risk, Liquidity Risk, Market Risk, Regulatory Risk, etc.

All investments carry some amount of risk. Although the Firm's clients only utilize mutual funds, common collective trust funds, insurance separate accounts and separately managed investment accounts, they may be exposed to the following investment risks:

Credit Risks – The risk that the portfolio could lose money if the issuer of guarantor of a fixed-income security, or the counter-party to a derivative contract, is unable or unwilling to meet its financial obligations.

Counter-Party Risks – A portfolio may incur a loss if the other party to an investment contract, such as a derivative, fails to fulfill its contractual obligation.

Currency Risks – The risk that foreign currencies will decline in value relative to the U.S. dollar and affect a portfolio's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Debt Securities Risks – The issuer of a debt security may fail to pay interest of principal when due, and changes in market interest rates may reduce the value of debt securities or reduce the portfolio's returns.

Derivatives Risks – The use of derivatives such as futures, options and swap agreements can lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than offset risk.

Emerging-Markets Risk – Foreign investment risks are typically greater for securities in emerging markets, which can be more vulnerable to recessions, currency volatility, inflation and market failure.

Equity Risks – The risk that the value of equity securities, such as common stocks and preferred stocks, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

ETF Risks – A portfolio will be exposed indirectly to all of the risks of securities held by an ETF.

Foreign Investment Risk – Foreign investments face the potential of heightened illiquidity, greater price volatility and adverse effects of political, regulatory, tax, currency, economic or other macroeconomic developments.

High-Yield Securities Risk – High-yield securities have a much greater risk of default or of not returning principal and tend to be more volatile than higher-rated securities of similar maturity.

Interest-Rate Risk – The risk that fixed income securities will decline in value because of an increase in interest rates.

Issuer Risk – The value of a security may decline because of adverse events or circumstances that directly relate to conditions at the issuer or any entity providing it credit or liquidity support.

Issuer Non-Diversification Risk – The risks of focusing investments in a small number of issuers, industries, or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.

Leverage Risk – The risk that certain portfolio transactions may give rise to leverage, causing the portfolio to be more volatile than if it had not been leveraged.

Liquidity Risk – A security may not be able to be sold at the time desired or without adversely affecting the price.

Market Risk – The market price of securities held by a portfolio may rapidly or unpredictably decline due to factors affecting securities markets generally or particular industries.

Mortgage and Asset-Backed Securities Risk – These securities may decline in value when defaults on the underlying mortgage or assets occur and may exhibit additional volatility in periods of changing interest rates. When interest rates decline, the prepayment of mortgages or assets underlying such securities may require the reinvestment of money at lower prevailing interest rates, resulting in reduced returns.

Regulatory Risk – The risk that changes in government regulations may adversely affect the value of a security. An insufficiently regulated industry or market might also permit inappropriate practices that adversely affect an investment.

Private Securities Risk – Private securities contain the risks of their respective public securities, but these risks can be magnified due to their illiquidity and lack of public knowledge on the business. These securities are inherently more risky.

Real Estate Risk – The real estate market has experienced some large swings recently. Due to changes in interest rates, the lending market, economic policy, and supply and demand, in addition to illiquidity, real estate investments can carry a great deal of risk.

Investing in securities involves risk of loss that clients should be prepared to bear.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of AWA or the integrity of AWA's management. AWA had no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

The principal executive officers and other employees of AWA are also employees of the parent company of AWA, EBS. The advisory activities of AWA, which include recommending and monitoring the performance of mutual funds, common collective trust funds, separate investment accounts, etc. are supervised by the SEC. Neither AWA, nor EBS officers, or their employees will be responsible for the deposit to or withdrawal and disposition from any plan of any cash or securities. The trading of plan assets will be executed either by the fiduciaries employed by the Plan Sponsor, or by AWA under the express consent, authorization, and direction of the Plan fiduciaries, or directly by the plan participants under a self-directed defined contribution plan. All trades under the plan will be executed via a Web site or other method as prescribed by the plan's designated Trustee/Custodian or Recordkeeping Administrator, as service providers for the Plan previously selected by the Plan Sponsor outside the purview of AWA.

EBS employees, including certain individuals also employed by AWA, provide consulting services on the administration and operation of plans to comply with IRC Section 401(a) and the reporting and disclosure requirements under the ERISA. These employees may also act as a consultant and be paid a separate fee by the Plan Sponsor or the Plan for information and assistance compliance with IRS and DOL rules regarding the administration, operation and evaluation of the Plan, including, but not limited to the following:

1. Plan baseline and administrative requirements analysis;
2. Plan compliance with the Internal Revenue Code and ERISA;
3. Vendor management and due diligence visits;
4. Vendor searches & implementation;
5. Employee retirement plan communications review;
6. Special projects (Data remediation, EPCRS/VFC assistance); and
7. Annual program management calendars.

Item 11 – Code of Ethics, Participation or Interest in /client Transactions and Personal Trading

AWA has adopted a Code of Ethics to ensure that securities transactions by AWA employees are consistent with AWA's fiduciary duty to its clients and to ensure compliance with legal requirements

and AWA's standards of business conduct. The Firm requires transaction confirmation and quarterly reporting of such transactions. A written copy of AWA's Code of Ethics is available upon request.

AWA anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which AWA has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which AWA, its affiliates and or clients, directly or indirectly, have a position of interest. AWA's employees and persons associated with AWA are required to follow AWA's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of AWA and its affiliates may trade for their own accounts in securities which are recommended to and or purchased for AWA's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of AWA will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based on a determination that these would materially not interfere with the best interest of AWA's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics, in some circumstances, would permit employees to invest in the same securities as clients, there is a possibility, albeit unlikely, that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics and to reasonably prevent conflicts of interest between AWA and its clients.

AWA's clients or prospective clients may request a copy of the Firm's Code of Ethics by contacting Rob Massa at 713/629-9666 or via email at rob.massa@ascende.com.

Item 12 – Brokerage Practices

The Firm does not currently receive soft dollar benefits from any providers.

Item 13 – Review of Accounts

AWA does not manage client accounts but provides investment advice to Retirement Plan Sponsors regarding the investment alternatives to be offered by the Plan. As such, the Firm, through Robert Massa and/or Jeff Dorfman, reviews the accounts with the Plan Sponsors no less frequently than quarterly to assess current market and economic conditions, the overall performance of the Plan's portfolio and the individual performance of the various investments offered by the Plan. As appropriate, the Firm may also recommend changes to the investment alternatives in the Plan.

Plan sponsors will receive formal performance reports on a quarterly basis. Plan participants will receive reports reflecting deposits and withdrawals from the account and investment performance from the Plan custodians.

Item 14 – Client Referrals and Other Compensation

Neither AWA nor any of its Supervised Persons receives any economic benefits from any persons or entities who are not clients.

Neither AWA, nor its employees receive or accept commissions, bonuses, sales awards or other prizes from any third party company or vendor for the purpose of promoting or offering their services to our advisory clients. Occasionally, vendors request we visit their facilities solely as a matter of due diligence on their products, management philosophy and/or services and may offer to pay for the costs of the visit. Where this is prudent and valid business reason exists to conduct such a visit, the offer may be accepted. But AWA clearly states that such offer is not to be interpreted as a promise to utilize the products or services of the vendor. It is solely for the purpose of gathering qualitative information on the vendor. Furthermore, it is against company policy for an employee of AWA to accept any offers of entertainment, such as sporting events, theater tickets, etc. from a vendor that might create any conflict of interest or influence their judgment away from the best interests of AWA's advisory clients. Additionally, AWA or any of its Supervised Persons do not directly or indirectly compensate any person or entity for client referrals.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker/dealer, bank or other qualified custodian that holds and maintains clients' investment assets. AWA urges clients to carefully review such statements and compare such official custodial records to the account statements that may be provided. Statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. Clients should always rely on statements from the custodian and/or the Plan Sponsor and should contact the Firm or the custodian directly to resolve any discrepancies.

Item 16 – Investment Discretion

AWA does not currently manage client accounts with discretionary authority.

Item 17 – Voting Client Securities

It is the general policy of AWA to not take any action or render any advice in reference to the voting of proxies for those securities held in all client accounts. The proxies are delivered from the custodian to client for voting and AWA does not keep any record of how or if the proxies are voted.

Item 18 – Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about AWA's financial condition. AWA is well capitalized, has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.