

**ITEM 1. COVER PAGE FOR
PART 2A APPENDIX 1 OF FORM ADV:
WRAP FEE PROGRAM BROCHURE
DATED March 12, 2012**

**RS ASSET MANAGEMENT, LLC
660 SOUTHPOINTE COURT, SUITE 312
COLORADO SPRINGS, CO 80906**

FIRM CONTACT: WILLIAM ROARK, CHIEF COMPLIANCE OFFICER

FIRM WEBSITE ADDRESS: WWW.RSASSETMANAGEMENT.COM

This wrap fee program brochure provides information about the qualifications and business practices of RS Asset Management, LLC. If you have any questions about the contents of this brochure, please contact by telephone at (888) 998-3466 or email at bob@rsassetmanagement.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 RS Asset Management, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term “registered investment adviser” and description of RS Asset Management, LLC 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 firm’s associates who advise you for more information on the qualifications of our firm and our employees.

ITEM 2 - MATERIAL CHANGES TO PART 2A APPENDIX 1 (WRAP FEE PROGRAM BROCHURE) OF OUR FORM ADV:

RS Asset Management, LLC is required to advise you of any material changes to our Wrap Fee Program Brochure (“Wrap Brochure”) from our last annual update, identify those changes on the cover page of our Wrap Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Wrap Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Wrap Brochure, and we must provide the date of the last annual update of our Wrap 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 our Wrap Brochure. At this time, there are no material changes to report about our Wrap Brochure.

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Item 4 - Services, Fees and Compensation

- A. We offer wrap fee programs as described in this Wrap Fee Program Brochure. Our wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We emphasize continuous and regular account supervision in providing discretionary and non-discretionary investment supervisory services for our Comprehensive Portfolio Management and Asset Management wrap fee programs described below. Should clients choose to engage us on a discretionary basis, we are authorized, without prior consent from you to buy, sell, and trade in stocks, bonds, mutual funds, and other securities and/or contracts relating to the same. Should clients choose to engage us on a non-discretionary basis, we are not authorized, without prior consent from you to buy, sell, and trade in stocks, bonds, mutual funds, and other securities and/or contracts relating to the same.

1. Comprehensive Portfolio Management Wrap Fee Program:

Our comprehensive portfolio management service encompasses asset management as well as providing financial planning/financial consulting to clients. It is designed to assist clients in meeting their financial goals through the use of financial investments. We conduct at least one, but sometimes more than one meeting (in person if possible, otherwise via telephone conference) with clients in order to understand their current financial situation, existing resources, financial goals, and tolerance for risk. Based on what we learn, we propose an investment approach to the client. We may propose an investment portfolio, consisting of 401k assessment, recommendations, and rebalancing of client portfolios, exchange traded funds, mutual funds, individual stocks or bonds, or other securities. Upon the client's agreement to the proposed investment plan, we work with the client to establish or transfer investment accounts so that we can manage the client's portfolio. Once the relevant accounts are under our management, we review such accounts on a regular basis and at least quarterly. We may periodically rebalance or adjust client accounts under our management. If the client experiences any significant changes to his/her financial or personal circumstances, the client must notify us so that we can consider such information in managing the client's investments.

2. Comprehensive Portfolio Management Wrap Fee Program Fee Schedule:

Our fees range from 1.00% to 2.50% of any assets under Management. Our firm's 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.

3. Our Asset Management Wrap Fee Program:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, 401k assessment, recommendations, and rebalancing of client portfolios, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be

initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

4. Our Asset Management Wrap Fee Program Fee Schedule:

Our fees range from 1.00% to 2.50% of any assets under Management. Our firm's 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.

- B. A wrap fee program allows our clients to pay a specified fee for investment advisory services and the execution of transactions. The advisory services may include portfolio management and the fee is not based directly upon transactions in your account. Your fee is bundled with our costs for executing transactions in your account(s). This results in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit our trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.
- C. You may pay custodial fees, 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), mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee you are charged by our firm.
- D. Our investment advisory representatives receive a portion of the advisory fee that you pay us, either directly as a percentage of your overall fee or as their salary from our firm. In cases where our investment advisory representatives are paid a percentage of your overall advisory fee, this may create an incentive to recommend that you participate in a wrap fee program rather than a non-wrap fee program (where you would pay for trade execution costs) or brokerage account where commissions are charged. This is because, in some cases, we may stand to earn more compensation from advisory fees paid to us through a wrap fee program arrangement if your account is not actively traded.

Item 5 - Account Requirements and Types of Clients

We impose the following requirement(s) to open or maintain an account:

- We require a minimum account balance of \$100,000 for our Comprehensive Portfolio Management Wrap Fee Program and Asset Management Wrap Fee Program services.

Generally, this minimum account balance requirement is not negotiable and would be required throughout the course of the client's relationship with our firm.

Types of clients we typically manage wrap fee accounts on behalf of, include:

- Individuals and High Net-Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Corporations, limited liability companies and/or other business types

Item 6 - Portfolio Manager Selection and Evaluation

- A. Our firm does not utilize outside portfolio managers. All accounts are managed by our in-house professionals.
- B. Our firm and its related persons will act as portfolio manager(s) for our firm's wrap fee program. This may create a conflict of interest in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our related person portfolio managers are not subject to the same selection and review as outside portfolio managers that participate in the wrap fee program. This is because we have chosen not to utilize outside portfolio managers.
- C. Our firm and supervised persons do act as portfolio manager(s) for our firm's wrap fee program:

1. Advisory Business:

See Item 4 of this Wrap Fee Program Brochure for information about our wrap fee advisory programs.

2. Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing our firm's Comprehensive Portfolio Management and Asset Management wrap fee program services.

3. 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. In the rare instance that we would allow restrictions, it would be limited to our firm's Comprehensive Portfolio Management and Asset Management wrap fee program services.

4. Participation In Wrap Fee Programs.

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. We do not manage wrap fee accounts in a different fashion than non-wrap fee accounts.

5. Performance-Based Fees And Side-By-Side Management.

We do not charge performance fees and side-by-side management fees to our clients.

6. Methods Of Analysis, Investment Strategies And Risk Of Loss.

Our firm will utilize several disciplines of analysis. On occasion we will use a technical analysis for forecasting the direction of prices through the study of past market data, primarily price and volume by examining what investors fear or think about those developments and whether or not investors have the wherewithal to back up their opinions as opposed to a fundamental analysis which examines earnings, dividends, new products, research and the like. Technical analysis is frequently contrasted with fundamental analysis and each has limitations because of assumptions about the market. We enlist a more rational approach by utilizing both types of analyses. In addition to these we may employ charting which plot the span between the high and low prices of a trading period. Some widen and fill the interval between the open and close prices to emphasize the open/close relationship. The risk of relying on charting would be similar to the weaknesses of the technical approach, where the price reflects the trend as opposed to fundamental which holds that economic factors influence the price. Studying recurring, preferably periodic, movements in prices or other time series or cyclical analysis may also be incorporated in our methods of analysis. Cyclical may too narrowly predict price without integrating relevant factors. We strive to avoid risks of any one method by incorporating several methods.

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

Our firm will make long term purchases (securities held at least a year), short term purchases (securities sold within a year), trading (securities sold within 30 days). Generally there is more risk involved with shorter trading. There may also be costs for shorting such as a fee for borrowing the assets and payment of any dividends on the borrowed assets. Similarly margin transactions, option writing, including covered options, uncovered options or spreading strategies may be used to implement our strategies.

7. Voting Client Securities.

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 votes or other solicitations.

Item 7 - Client Information Provided to Portfolio Manager(s)

Our firm communicates with your portfolio manager(s) on a regular basis as needed (daily, weekly, monthly, etc) to ensure your most current investment goals and objectives are understood by your portfolio manager(s). In most cases, we will communicate such information as part of our regular investment management duties. Nevertheless, we will also communicate information to your portfolio manager(s) when you ask us to, when market or economic conditions make it prudent to do so, etc.

Item 8 - Client Contact with Portfolio Manager(s)

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns they have about their portfolios or other matters.

Item 9 - Additional Information

A. We are required to respond to: 1. (Disciplinary Information - Item 9); and 2. (Other Financial Industry Activities and Affiliations - Item 10) of Part 2A of Form ADV.

1. We have determined that our firm and management do not have disciplinary information to disclose.
2. We have other financial industry activities and affiliations to disclose.

Our firm's management person is a registered representative of LPL Financial Corporation, member FINRA/SIPC. Management person may offer securities and receive normal and customary commissions as a result of securities transactions. This presents a conflict of interest to the extent that the management persons recommend that a client invest in a security which results in a commission being paid to him.

A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client.

- B. We are required to respond to: 1. (Code of Ethics or Interest in Client Transactions and Personal Trading - Item 11); 2. (Review of Accounts - Item 13); 3. (Client Referrals and Other Compensation - Item 14); and 4. (Financial Information - Item 18) of Part 2A of Form ADV, as applicable to our wrap fee clients.

1. Code Of Ethics, Participation Or Interest In Client Transactions And Personal Trading.

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 accounts. 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.

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.

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. Further, our related persons will refrain from buying or selling the same securities within 48 hours of

buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

2. Review of Accounts.

We review accounts on at least a quarterly basis for our clients subscribing to our firm's Comprehensive Portfolio Management and Asset Management services. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Mr. William Roark, President and Chief Compliance Officer, and Mr. Sean Soulvie, Managing Director, conduct reviews of all client accounts.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to our firm's Comprehensive Portfolio Management and Asset Management services.

3. Client Referrals and Other Compensation.

Our firm has an arrangement with LPL Financial Corporation ("LPL Financial"), Member FINRA/SPIC. LPL Financial offers to independent investment Advisers services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from LPL Financial through our participation in the program.

i. Investment or Brokerage Discretion

We provide discretionary portfolio management services where the investment advice provided is custom tailored to meet the needs and investment objectives of each client. Accordingly, we are authorized to perform various functions, at the client's expense, without further approval from the client. Such functions include the determination of securities to be purchased/sold and the amount of securities to be purchased/sold. We do not have discretionary authority over the broker or dealer to be used.

ii. Suggestion of Brokers to Clients

We shall recommend LPL Financial. LPL Financial is the broker-dealer and investment adviser with which our representatives are also associated. As a result of the individual association of the our representatives with LPL Financial, we are generally required to utilize the brokerage/custodial services of LPL Financial for investment advisory accounts. Our general policies relative to the execution of client securities brokerage transactions are as follows:

iii. Execution of Brokerage Transactions (when applicable)

If requested, we will arrange for the execution of securities brokerage transactions for the account through broker-dealers that we reasonably believe will provide "best execution". In seeking "best execution", the determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. We also take into consideration the full range of a broker-dealer's services including execution capability, commission rates, and responsiveness. Although we will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.

Over-the-Counter (OTC) securities transactions for our clients are generally effected based on two (2) separate broker-dealers: (1) a "dealer" or "principal" acting as market-maker; and (2) the executing broker-dealer that acts in an agency capacity for the client's account. Dealers executing principal transactions typically include a mark-up/down, which is included in the offer or bid price of the securities purchased or sold. In addition to the dealer mark-up/down, the client may also incur the transaction fee imposed by the executing broker-dealer. We do not receive any portion of the dealer mark-up/down or the executing broker-dealer transaction fee.

Transactions for each client account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may, but are not obligated to, combine or "batch" such orders to obtain "best execution", to negotiate more favorable commission rates, to allocate fairly among the clients' differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day. To the extent that we determine to aggregate client orders for the purchase or sale of securities, including securities in which our principals and/or associated persons may invest, we shall generally do so in accordance with the parameters set forth in SEC No-Action Letter, *SMC Capital, Inc.* We shall not receive any additional compensation or remuneration as a result of the aggregation.

When referring clients to dealers, we will only refer clients to dealers registered in states where the clients reside.

iv. Additional Compensation

We *may* receive from LPL Financial or a mutual fund company, without cost and/or at a discount support services and/or products, to assist us to better monitor and service client accounts maintained at such institutions. Included within the support services we may receive investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis

consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by us to assist us in our investment advisory business operations.

Our clients do not pay more for investment transactions effected and/or assets maintained at LPL Financial as result of this arrangement. There is no commitment made by us to LPL Financial or any other institution as a result of the above arrangement.

v. Compensation For Client Referrals

We do not pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm.

4. Financial Information.

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

Item 10 - Requirements for State-Registered Advisers

- A. Refer to the Part(s) 2B for background information about management personnel and those giving advice on behalf of our firm.
- B. Our firm is not actively engaged in any business other than giving investment advice.
- C. Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the “Performance-Based Fees and Side-By-Side Management” section above for additional information on this topic.
- D. Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.
- E. Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.