

**ITEM 1: COVER PAGE FOR
PART 2B OF FORM ADV:
BROCHURE SUPPLEMENT
DATED MAY 21, 2012**

**DAVID TYLER HEYMANN
("TYLER HEYMANN")**

**PRISM INVESTMENT MANAGEMENT INC.
14350 NORTH 87TH STREET, SUITE 170
SCOTTSDALE, AZ 85260
(480) 661-1236**

FIRM CONTACT: PATRICIA LLOYD, CHIEF COMPLIANCE OFFICER

This brochure supplement provides information about Tyler Heymann that supplements our brochure. You should have received a copy of that brochure. Please contact Patricia Lloyd, Chief Compliance Officer, if you did not receive our firm's brochure or if you have any questions about the contents of this supplement.

Additional information about Tyler Heymann is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

David Tyler Heymann

Year of Birth: 1975

Formal Education:

- Institute of Business and Finance, attending – Masters Studies since 2010.
- Arizona State University, attended, 1999.
- University of Arizona, attended, 1998.

Business Background:

- PRISM Investment Management, Inc., President, 01/2012 to Present.
- PRISM Financial Concepts, PC., President, 03/2008 to Present.
- Cambridge Investment Research Advisors, Inc., Registered Representative and Investment Adviser Representative, 06/2008 to Present.
- Multi-Financial Securities Corporation, Registered Representative and Investment Adviser Representative, 02/2006 to 06/2008.
- Questar Capital Corporation, Registered Representative and Investment Adviser Representative, 02/2004 to 02/2006.
- Infinity Planning Group, Owner, 07/2003 to 03/2008.

Tyler Heymann holds a CFS[®] professional designation. Below are further details of the minimum qualifications required for that designation to allow you to better understand the value.

CFS[®] - Certified Fund Specialist[®] :

The Certified Fund Specialist[®] (CFS[®]) designation is now celebrating its 21st year in existence. More than 11,000 members of the financial services community have already completed the program. CFS[®] is the oldest designation in the mutual fund industry.

As a certified funds specialist, candidates learn criteria such as alpha, beta, correlation coefficient, first-auto correlation, R-squared, and standard deviation that should be incorporated in the selection process. The programs also benefit individuals in related job functions such as operations, marketing, sales support, distribution, customer service and back office support.

With mutual funds training, a Certified Fund Specialist[®] is able to evaluate and compare financial measurements and benchmarks when constructing a portfolio. Modern portfolio theory (MPT) is a key part of the program; its components are broken down and detailed in terms the advisor can easily understand and convey to a client. Armed with MPT and other selection criteria learned as part of the mutual fund education, a suitable and efficient portfolio using closed-end, exchange-traded, and open-end funds can be derived.

Practitioners and academics continually update the CFS[®] materials. Students obtain the best of both worlds—the practical as well as the theoretical. Closed-end funds, ETFs, REITs and UITs are also covered, thereby providing the student with a more rounded education. With this

additional investment knowledge, advisors and brokers offer ideas to clients that they would not receive elsewhere.

Item 3 Disciplinary Information

If there are legal or disciplinary events material to your evaluation of Tyler Heymann, we are required to disclose all material facts regarding those events.¹

Mr. Heymann does not have any disciplinary events to report.

Item 4 Other Business Activities

A. If Tyler Heymann is actively engaged in any investment-related business or occupation, including if Tyler Heymann is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (“FCM”), commodity pool operator (“CPO”), commodity trading advisor (“CTA”), or an associated person of an FCM, CPO, or CTA, we are required to disclose this fact and describe the business relationship, if any, between the advisory business and the other business.

Tyler Heymann is a registered representative of Cambridge Investment Research Advisors, Inc, member FINRA/SIPC. He may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation Tyler Heymann may earn.

B. If Tyler Heymann is actively engaged in any business or occupation for compensation not discussed in response to Item 4.A, above, and the other business activity or activities provide a substantial source of Tyler Heymann’s income or involve a substantial amount of Tyler Heymann’s time, we are required to disclose this fact and must describe the nature of that business. If the other business activities represent less than 10 percent of Tyler Heymann’s time and income, we may presume that they are not substantial.

Mr. Heymann is a licensed insurance agent through various insurance companies. In such capacity, he may offer insurance products and receive normal and customary commissions as a result of such a purchase. This presents a conflict of interest to the extent that he

¹ **Note:** Our firm may, under certain circumstances, rebut the presumption that a disciplinary event is material. If an event is immaterial, we are not required to disclose it. When we review a legal or disciplinary event involving Tyler Heymann to determine whether it is appropriate to rebut the presumption of materiality, we consider all of the following factors: (1) the proximity of Tyler Heymann to the advisory function; (2) the nature of the infraction that led to the disciplinary event; (3) the severity of the disciplinary sanction; and (4) the time elapsed since the date of the disciplinary event. If we conclude that the materiality presumption has been overcome, we prepare and maintain a file memorandum of our determination in our records. We follow SEC rule 204-2(a)(14)(iii) and similar state rules.

recommends the purchase of an insurance product which results in a commission being paid to him as an insurance agent. Mr. Heymann spends about 3% of his time on these activities.

Mr. Heymann is a Member with one-third ownership interest of Umbrella, LLC, which owns Lawyer Financial Group, LLC (“LFG”) and Homeowner 101. LFG provides a one source solution for short sale advice to homeowners and realtors and negotiates with lenders on behalf of clients that are trying to short sell real estate holdings that are worth less than the amount owed to lenders. He will not have direct responsibilities relative to this company; however, he will be providing financial advice and strategic planning advice to the company and financial advice to the clients of these companies under his capacity as a financial consultant.

Item 5 Additional Compensation

If someone who is not a client provides an economic benefit to Tyler Heymann for providing advisory services, we are required to generally describe the arrangement. For purposes of this Item, economic benefits include sales awards and other prizes, but do not include Tyler Heymann’s regular salary. Any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts should be considered an economic benefit, but other regular bonuses should not.

Mr. Heymann does not receive additional economic benefits for advisory services.

Item 6 Supervision

We are required to explain how we supervise Tyler Heymann, including how we monitor the advice Tyler Heymann provides to you. Our firm has to provide the name, title and telephone number of the person responsible for supervising Tyler Heymann’s advisory activities on behalf of our firm.

Patricia Lloyd is the Chief Compliance Officer of Prism Investment Management Inc. and as such supervises and monitors Tyler Heymann’s activities on a regular basis to ensure compliance with our firm’s Code of Ethics. Please contact Patricia Lloyd if you have any questions about Tyler Heymann’s brochure supplement at (480) 661-1236.

Item 7 Requirements for State-Registered Advisers

A. In addition to the events listed in Item 3 of Part 2B, if Tyler Heymann has been involved in one of the events listed below, we disclose all material facts regarding the event.

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

- (a) an investment or an investment-related business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard.

B. If Tyler Heymann has been the subject of a bankruptcy petition, we must disclose that fact, the date the petition was first brought, and the current status.

We have nothing to disclose in this regard.