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Disclosure Brochure

May 1, 2012

This brochure provides information about the qualifications and business practices of Saos Capital, LLC. If you have any questions about the contents of this brochure, please contact us at 843.388.9925 or wayne@saoscapital.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.

Any references to Saos Capital, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training. Additional information about Saos Capital, LLC also is available on the SEC's website at www.adviserinfo.sec.gov

Material Changes

Saos Capital, LLC (“Saos Capital, we, us, our, ours”) is a newly registered investment adviser. As such, we have no previous disclosure documents.

Going forward, we will see that our clients (“you, your, yours”) you receive a summary of any material changes to our brochures by April 29th of each year. We may also provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of our last annual update of our brochure.

Currently, our brochure may be requested by contacting Wayne Gamble, Chief Compliance Officer, at 843.388.9925 or wayne@saoscapital.com. We will provide you with a new brochure at any time without charge.

Additional information about our company is also available via the SEC’s website: www.adviserinfo.sec.gov. The SEC’s website also provides information about any persons affiliated with us who are registered as investment adviser representatives (“your advisory representative”) of Saos Capital. Information on our investment adviser representatives who work with your account can be found in our brochure supplements.

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Advisory Business

Saos Capital is a limited liability company organized under South Carolina state law. William Randolph "O'Malley" Avant is the founder, principle owner, and Managing Member of the Mount Pleasant-based investment advisory firm. Saos Capital applied for registration with the Securities and Exchange Commission in November of 2011.

Asset Management

Our advisory representatives directly manage your portfolios. Assets are allocated within a mix of securities that may include:

- equities,
- bonds,
- options,
- structured notes,
- alternative investments,
- cash and cash equivalents,
- mutual funds,
- exchange traded funds,
- currencies/foreign exchange ("forex"), and
- futures.

We work with you to identify your investment goals, objectives, restrictions, and risk tolerance to determine what is most suitable for you. From there, we customize your portfolio to create an initial allocation designed to complement your financial situation and personal circumstances.

Financial Planning

We offer financial, estate, tax, and retirement planning services. We gather required information through personal interviews and application forms. This information includes your current financial status, future goals and attitudes towards risk. Related documents that you supply are carefully reviewed and a written report is prepared. We will schedule a meeting with you and present the analysis of your situation and recommendations for

steps to be taken to assist you to work toward financial goals.

In preparing your financial plan, certain assumptions may be made with respect to interest and inflation rates in conjunction with past trends in financial markets and the economy. However, past performance is not indicative of future returns. We cannot insure that your financial goals and objectives will be met.

Should you choose to implement the recommendations contained in the plan, we suggest that you work closely with your attorney, accountant, insurance agent, and stockbroker. Some implementation services are available through us and our affiliates. Should you implement the plan through our advisory representatives, commissions or other compensation may be received by them in addition to the advisory fee paid to Saos Capital. You, however, are under no obligation to utilize us or our advisory representatives for implementation of financial planning recommendations. All such decisions are entirely at your discretion.

As of April 30, 2012, Saos Capital manages approximately \$38.6 million in assets, all on a discretionary basis.

Fees and Compensation

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians ("custodian/ broker-dealer"). Your custodian/broker-dealer determines the values of the assets in your portfolio.

We offer our services on a fee-only basis. You must authorize us in writing to have the custodian/broker-dealer pay us directly by charging your account. If the Account does not contain sufficient funds to pay advisory fees, we have the limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may

reimburse the account for advisory fees paid to us, except for ERISA and IRA accounts.

Fees for the initial quarter are prorated based upon the number of calendar days in the calendar quarter that our agreement is in effect. Thereafter, our fee is calculated based upon the market value of the assets in your account at the end of each calendar quarter. No fee adjustments are made for partial deposits or withdrawals.

One-fourth of the annual fee is charged each calendar quarter. Your custodian/broker-dealer provides you with statements that show the amount paid directly to us. You should review and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

In addition to our fee, you may be required to pay other charges such as:

- custodial fees,
- brokerage commissions,
- transaction fees,
- SEC fees,
- internal fees and expenses charged by mutual funds or exchange traded funds ("ETFs"), and
- other fees and taxes on brokerage accounts and securities transactions.

²Financial planning fees are payable upon completion of the agreed upon services or analysis.

Mutual fund companies, ETFs, and variable annuity issuers charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

If you purchase mutual funds through the custodian/broker-dealer, you may pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may pay internal fees that are different from funds held at the mutual fund company.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

Please be sure to read the section entitled "Brokerage Practices," which follows later in this brochure.

Should you terminate the advisory agreement we have entered into within five business days from the date the agreement is executed, you will receive a full refund of any fees paid less any reasonable expenses. However, you shall be responsible for any transactions executed prior to receipt of the written notice of cancellation.

The majority of our advisory fees must be paid in advance of receiving our services. Should either one of us terminate the advisory agreement we have entered into before the end of a billing period,

Saos Capital Fee Schedule

<u>Advisory Service</u>	<u>Maximum Annual Fee¹</u>
Asset Management	0.75-1.50%
Financial Planning ²	
Fixed Fee	\$750-\$2,000
Hourly Fee	\$300

¹We may change the above fee schedule upon 30-days prior written notice to you. Fees are negotiable at our sole discretion.

any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

You may terminate financial planning services at any time up to presentation of the plan or analysis. You will be responsible for the time spent on your plan prior to our receipt of the termination notice at the applicable hourly rate. Should you be dissatisfied with the services, you will be refunded the planning fee upon return of our plan or analysis.

If you pay our advisory fees after receiving our services and either one of us terminates the advisory agreement we have entered into before the end of a billing period, any fees that we have earned are immediately due and payable. We will deliver a final billing statement for unbilled work upon receipt of your termination notice.

Our advisory representatives are also registered representatives of Resource Horizons Group, LLC ("RHG"), a registered broker/dealer, member FINRA and SIPC. If you choose to implement your financial plan through RHG, commissions may be earned by your advisory representative in addition to any fees paid for advisory services. In addition, the advisory representative may be entitled to a portion of the internal expense fees (such as 12b-1 fees) charged by mutual funds. We may also receive other benefits such as assistance with conferences and educational meetings from product sponsors or RHG.

Our advisory representatives are also licensed with various insurance companies. Commissions may be earned by our advisory representatives if insurance products are purchased through these insurance companies.

The above arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation we receive rather than based upon your needs. We will explain the specific costs associated with any recommended investments with you upon request. We also recommend no-load and load-waived mutual funds to further reduce conflicts of interest. Additionally, you have the option to purchase investment and insurance products through other brokers or agents who are not affiliated with us.

Performance-Based Fees

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. We do not charge performance-based fees on any of our client accounts.

Types of Clients

We provide advisory services to charities, individuals and high net worth individuals, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities including their pension and profit sharing plans.

The minimum account size for starting and maintaining an advisory relationship is \$50,000. We, at our sole discretion, may accept clients with smaller portfolios or lower minimums based upon certain factors including:

- anticipated future earning capacity,
- anticipated future additional assets,
- account composition,
- related accounts, and
- pre-existing client relationships.

We may consider the portfolios of your family members to determine if your portfolio meets the minimum size requirement.

Methods of Analysis, Investment Strategies and Risk of Loss

Saos Capital conducts fundamental and technical analysis. Fundamental analysis generally involves assessing a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns.

A relative strength methodology is used for the dual aim of reducing portfolio volatility while seeking to enhance total return. This includes a top-down process of market analysis, sector analysis, manager or product analysis and risk management. We believe this can help with more consistent returns and thereby create a better environment for systematic withdrawal needs.

We buy structured notes in your portfolio, if they are suitable for your given situation. Any guarantee that your principal will be protected—whether in whole or in part—is only as good as the financial strength of the company that makes that promise. In other words, the principal guarantee is subject to the creditworthiness of the guarantor, which is generally the securities firm that structures and issues the note. In the event the issuer goes bankrupt, investors who hold these notes are considered unsecured creditors and might recover little, if anything, of their original investment.

Potential lack of liquidity is one of the disadvantages of structured notes with principal protection. These products tend to be longer-term investments, tying up your money for several years. Some issuers might allow investors to redeem their notes before maturity under certain circumstances, such as expiration of a "lock-up period" (a period of time during which you cannot access your funds),

payment of a redemption fee or both. Other issuers might (but are not obligated to) provide a secondary market for certain notes. However, depending on demand, the notes might trade at significant discounts to their purchase price and might not return the full guaranteed amount. In addition, the value of the note before maturity might be difficult to calculate and can vary depending a wide array of factors (including prevailing interest rates and the volatility of the underlying asset, index or benchmark). You might also have to pay a penalty for early redemption, further reducing any return of your principal.

Our investment strategies may include long-term and short-term purchases. Frequent trading can affect investment performance through increased taxes. Our options, futures and currency/forex strategies are designed to be defensive in nature; however, there is still risk involved. For instance, the writer of a covered call forgoes the opportunity to benefit from an increase in the value of the underlying interest above the option price, but continues to bear the risk of a decline in the value of the underlying interest. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in loss:

- loss of principal,
- a reduction in earnings (including interest, dividends and other distributions), and
- the loss of future earnings.

Additionally, these risks may include:

- market risk,
- interest rate risk,
- issuer risk, and
- general economic risk.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

Disciplinary Information

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

As explained under “Fees and Conditions” above, your advisory representative may be licensed as a registered representative through RHG. Your advisory representative may also be licensed as an insurance agent with various insurance carriers.

These arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation your advisory representative can receive rather than based upon your investment needs. As previously noted, we will explain the specific costs associated with any recommended investments with you upon request. We also recommend no-load and load-waived mutual funds to further reduce conflicts of interest. You have the option to purchase investment and insurance products through other brokers or agents who are not affiliated with us.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

We have adopted a Code of Ethics (“Code”) to address the securities-related conduct of our advisory representatives and employees. The Code includes our policies and procedures developed to protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our advisory representatives and employees be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of an advisory representative’s or employee’s position of trust and responsibility;
- that advisory representatives may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We do not buy or sell securities for our firm that we also recommend to clients. Our advisory representatives and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by you or
- considered for purchase or sale for you.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in an advisory representative or employee receiving a better price than a client.

Advisory representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

Brokerage Practices

We may recommend that your broker-dealer/custodian be Fidelity Brokerage Services, LLC ("Fidelity"). Fidelity will assist us in servicing your account. We are independently owned and operated and not affiliated with Fidelity. Our use of Fidelity is, however, a beneficial business arrangement for both us and Fidelity. Information regarding the benefits of this relationship is described below.

In recommending Fidelity as custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum their:

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and
- types and quality of research.

The determining factor in the selection of a custodian/broker-dealer to execute transactions for your accounts is not the lowest possible transaction cost, but whether they can provide what is in our view the best qualitative execution for your account.

Fidelity provides us with access to its institutional trading and custody services, which includes:

- brokerage,
- custody,
- research, and
- access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. We are not required to place a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services. Fidelity does not charge separately for holding our clients

accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

Fidelity also makes available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- provide access to account data such as:
 - duplicate trade confirmations,
 - bundled duplicate account statements, and
 - access to an electronic communication network for client order entry and account information;
- facilitate trade execution, including:
 - access to a trading desk serving advisory participants exclusively and
 - access to block trading which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account;
- provide research, pricing information and other market data;
- facilitate payment of our fees from client accounts;
- assist with back-office functions, record keeping and client reporting; and
- receipt of compliance publications.

Fidelity also makes available to us other services intended to help us manage and further develop our business. These services may include:

- consulting,
- publications and conferences on practice management,
- information technology,
- business succession,
- regulatory compliance, and
- marketing.

Fidelity may also make available or arrange for these types of services to be provided to us by independent third parties. They may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits as a result of our relationship with Fidelity, because we do not have to produce or purchase the products and services listed above.

Because the amount of our compensation or the products or services we receive may vary depending on the broker-dealer/custodian we recommend to be used by our clients, we may have a conflict of interest in making that recommendation. Our recommendation of specific broker-dealer/custodians may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through the custodian/broker-dealers we have recommended may be higher than commissions and other fees available if you use another broker-dealer/custodian firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by Fidelity outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained through Fidelity. We do not attempt to allocate these benefits to specific clients.

You may direct us in writing to use a particular custodian/ broker-dealer to execute some or all of the transactions for your account. In this case, you are responsible for negotiating the terms and arrangements for the account with the

custodian/broker-dealer. We will not be able to negotiate commissions, obtain volume discounts or best execution pricing. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular custodian/ broker-dealer and clients who do not direct us to use a particular custodian/broker-dealer.

We may engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed. Executing a bunched trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients.

Transactions for the accounts of our employees and advisory representatives may be included in bunched trades. They receive the same average price and pay the same commissions and other transaction costs, as clients. Transactions for the accounts of our advisory representatives or employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Bunched trades will not be effected for any client's account if doing so is prohibited or otherwise inconsistent with that client's investment advisory agreement. No client will be favored over any other client.

Trade errors are corrected in a manner that does not disadvantage the client.

Review of Accounts

All account reviews are performed by advisory representatives of Saos Capital. We regularly monitor your account, as well as general conditions in the financial markets, and make changes or recommend opportunities when we believe it is appropriate to do so. We strongly encourage you to notify us of any material changes in your overall financial condition or your investment objectives or risk tolerance as these could have a material effect on the recommendations we make to you.

Your advisory representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections. You will be invited to participate in at least an annual review as agreed by you and your advisory representative. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. We will provide you with a written consolidated report of your managed account.

Client Referrals and Other Compensation

We do not directly or indirectly compensate any person who is not one of our advisory representatives or employees for client referrals.

We receive certain economic benefits as a result of our participation in Fidelity's institutional program. Those benefits are described in detail in the preceding section entitled "Brokerage Practices."

Custody

Although we are deemed to have custody of clients' funds because we deduct our advisory fees from

client accounts, we do not act as a custodian for your account. You will receive statements from your custodian on at least a quarterly basis. Additionally, you will receive confirmations of all transactions direct from your custodian. You should compare our reports with statements received direct from your custodian. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account. Should there be any discrepancy, your custodian's report will prevail. We also encourage you to contact us should you have any questions or concerns regarding your account.

Investment Discretion

We offer our Asset Management on a discretionary basis. This means that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts. We do not, however, have the ability to choose the broker-dealer through which transactions will be executed without your advance approval. Additionally, we do not have the ability to withdraw funds from your account (other than to withdraw our advisory fees which, may only be done with your prior written authorization.)

This discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is typically included in the investment advisory agreement you enter into with us.

Voting Client Securities

We have adopted and implemented policies and procedures that we believe are reasonably designed to ensure that proxies are voted in your best interest. Proxy statements increasingly contain controversial issues involving shareholder rights and corporate governance, among others, which deserve careful review and consideration.

We generally vote with management on routine matters related to the operation of the company and not expected to have significant economic impact on the company or shareholders. In instances where material conflicts of interest may exist, we will resolve any such conflict by voting any such proxies in your best interest. In doing so, we will follow the guidelines and factors set forth in our proxy voting procedures.

We will work with your custodian to ensure receipt of proxies. However, if the custodian is not able to facilitate this procedure, you will be notified that we will not be voting the proxies.

You can receive a record of how your proxy statements were voted upon request. Also, you can receive a complete copy of our proxy voting policy and procedures upon request.

Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.