

**Form ADV Part 2A – Firm Brochure
Item 1 – Cover Page**

Members Advisory Group LLC

6750 Main Street
Williamsville, NY 14221
716-632-4066

www.membersadvgrp.com

Date of Brochure: March 2013

This brochure provides information about the qualifications and business practices of Members Advisory Group LLC. If you have any questions about the contents of this brochure, please contact Jeffery A. Cashmore at 716-632-4066. 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 Members Advisory Group LLC is available through the SEC's website at www.adviserinfo.sec.gov. Clients can search this site by using Members Advisory Group LLC's name or by an identification number known as a CRD number. The CRD number for the Members Advisory Group LLC is 153723.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

Since our last annual amendment occurred in March 2012, we have transitioned our firm's registration status from the state level to the federal level. We are now registered with the United States Securities and Exchange Commission (SEC). We have removed Item 19 from the brochure because that item applies to only state registered advisers.

We will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current brochure. We may also provide other ongoing disclosure information about material changes as necessary.

Item 3 – Table of Contents

Item 2 – Material Changes	2
Item 3 – Table of Contents	3
Item 4 – Advisory Business	4
General Description of Primary Advisory Services	4
Financial Planning	4
Investment Management	4
Types of Investments	4
Tailor Advisory Services to Individual Needs of Clients	5
Wrap-Fee Program versus Portfolio Management Program	5
Client Assets Managed by Members Advisory Group	5
Item 5 – Fees and Compensation	5
Financial Planning Services	5
On-going Financial Planning Services	6
One-Time Financial Planning Services	7
Members Advisory Group Asset Management Program	8
Item 6 – Performance-Based Fees and Side-By-Side Management	9
Item 7 – Types of Clients	9
No Minimum Investment Amounts Required	9
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	10
We primarily use Fundamental	10
Risk of Loss	10
Item 9 – Disciplinary Information	11
Item 10 – Other Financial Industry Activities and Affiliations	12
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading	12
Code of Ethics Summary	12
Affiliate and Employee Personal Securities Transactions Disclosure	13
Item 12 – Brokerage Practices	13
Item 13 – Review of Accounts	14
Statements and Reports	15
Item 14 – Client Referrals and Other Compensation	15
Item 15 – Custody	15
Item 16 – Investment Discretion	16
Item 17 – Voting Client Securities	17
Item 18 – Financial Information	17
CUSTOMER PRIVACY POLICY	18

Item 4 – Advisory Business

Members Advisory Group LLC is an investment advisor registered with the United States Securities and Exchange Commission (SEC). The firm was formed as a limited liability company under the laws of the State of New York.

- The firm has been registered as an investment advisor since May 2011.
- The firm's controlling owner and Managing Member is Jeffrey Cashmore.
- We provide fee-only investment advisory services through Members Advisory Group. The nature and extent of the specific services provided to clients, including you, will always depend on each client's financial status, objectives and needs, time horizons, concerns, expectations and risk tolerance.

General Description of Primary Advisory Services

The following are brief descriptions of our primary services. A detailed description of the services we offer is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the services and description of fees in a side-by-side manner.

Financial Planning – We provide advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focus on a client's overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through topics including, but not limited to, investment management, tax planning, retirement/cash flow modeling, transition planning, estate design, risk management and philanthropic planning. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Investment Management – We also provide advisory services in the form of investment management services. Investment management services involve providing clients with on-going supervision over client accounts. This means we will monitor a client's account and make trades in client accounts when necessary. We provide this service through our Members Advisory Group Asset Management Program which is a wrap-fee program summarized in this brochure. Clients engaging us for this service will receive a separate Wrap Fee Program disclosure brochure which provides full and complete details of the service.

Types of Investments.

We are willing to provide investment advice on the following types of investments.

- No-Load (i.e. no trading fee) and Load-Waived (i.e. trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Warrants
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities

- United States government securities
- Options contracts on securities
- Interests in partnerships investing in real estate

We do not provide advice on foreign issued securities, commercial paper, options contracts on commodities, futures contracts on tangibles, futures contracts on intangibles, and interests in partnerships investing in oil and gas interests.

When providing asset management services, we will typically construct each client's account holdings using mutual funds and equities to build diversified portfolios. It is not our typical investment strategy to attempt to time the market but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations like: low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Tailor Advisory Services to Individual Needs of Clients

Our firm's services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Wrap-Fee Program versus Portfolio Management Program

We provide asset management services on both a wrap-fee and non-wrap fee basis. Under a wrap-fee program, advisory services and transaction services are provided for one fee. This is different from non-wrap fee management programs whereby an investment advisor firm's services are provided for a fee, but transaction services are billed separately on a per-transaction basis.

Client Assets Managed by Members Advisory Group

As of December 31, 2012 we have \$122,703,237 in assets under management, with \$120,051,225 being discretionary and \$2,652,012 being non-discretionary.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements.

Financial Planning Services

We provide financial planning and/or consulting services to individual clients. Our services include both investment and non-investment related matters. To initiate the financial planning process, we will meet with the potential financial planning client to determine the scope of the engagement and the proposed fee schedule.

You must execute a client agreement with our firm if you'd like us to provide financial planning services to you. We will then meet with you to identify and clarify your financial goals and current financial position.

We will gather data and secure other information so that we may understand your current financial situation and planning considerations. Depending on the scope of the engagement, areas covered in the planning service may include, but are not necessarily limited to: financial position, investment planning, insurance needs analysis, tax planning, retirement income planning, estate planning, debt management, and capital goal analysis.

We will identify your current financial position and address any other planning areas so engaged. The firm will also provide specific recommendations to you in the areas covered. You are under no obligation to work with our firm (including our investment advisor representatives) for the implementation of financial planning recommendations and/or the purchase of financial products and services. You can work with any financial professional you want to implement our financial planning services. If you choose to implement financial planning advice through Members Advisory Group, you must select one of the other advisory programs detailed in this brochure. You must pay additional investment advisory fees to the firm for participation in the other advisory programs detailed in this brochure. You can also work with one of the firm's associated persons in their separate capacities as independent insurance agents and/or registered representatives of a broker/dealer. When doing so, the firm's associated person will earn commissions in addition to the financial planning fees charged by Members Advisory Group.

If you sign up for this service, you will be charge either an agreed upon fixed fee or an hourly fee for services. Fees are determined in advance and are non-negotiable.

On-going Financial Planning Services

The initial fixed fee for financial planning services range between \$1,500 to \$15,000 and will depend on factors such as your financial complexity, estimate of time to be spent on the project, areas to be covered, value of your net worth and assets, and the advisor representative you will work with.

However, at the firm's discretion, the fee may be waived or significantly lower than \$1,500. The decision to waive or lower the fee is typically reserved for clients with a low level of assets and for clients that elect to implement financial planning advice through our Asset Management Program (detailed below). When clients establish an account through the Asset Management Program, we will receive fees separate from the financial planning fees charged. Implementation services can also be provided through our advisor representatives in their separate capacities as securities agents and/or insurance agents and commissions will be earned. Members Advisory Group may waive or reduce the amount of the financial planning fee charged to a client when additional commissions are earned.

We will charge an amount equal to 50% of the fixed fee quoted up front and you will need to pay the balance upon delivery of the financial advice. This is usually completed within 90 days of the contract date. The firm offers periodic updates and reviews of the initial plan/consultation during the first year following initial presentment of the plan. The fixed fee will cover up to 5 meetings during the first year to review your current situation and monitor your progress toward the implementation of your financial planning service.

After the first year of service, you may decide to pay a fixed annual fee for updates to the financial planning service. This annual fee will cover meetings as needed as well as advice on any of the six areas of financial planning. This annual fee will usually be lower than the initial fee.

The annual fee for on-going financial planning services is divided and billed annually, in arrears, with payment due upon your receipt of a billing statement delivered by our firm. You also have the option to

pay for the annual planning agreement through a direct debit from an investment account. Prior to beginning any services, the agreed upon fixed fee will be detailed in the client agreement

The financial planning agreement shall remain in effect until terminated by either party. You may terminate the agreement upon notice to Members Advisory Group and termination shall be effective upon our receipt of termination. We may terminate the agreement upon written notice to you with termination effective five (5) days after we provide you with written notice of termination or as otherwise mutually agreed upon. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty (no fees due and/or a complete refund of any fees paid in advance). After the initial five (5) business days, you will be responsible for paying fees for the time and effort expended by our firm prior to receipt of notice of termination. We will provide a pro-rated refund or send a pro-rated bill, depending upon the time spent by Members Advisory Group on services at the time notice of termination was received. Members Advisory Group will provide a billing statement summarizing all charges and an explanation of the pro-rated refund due to client or the pro-rated charges due from client.

One-Time Financial Planning Services

In lieu of the fixed fee, you may choose to engage Members Advisory Group on a single issue basis and be charged an hourly fee. Our hourly fees range between \$150 and \$350. The hourly rate will be determined based on the complexity of a client's financial situation and the services that will be provided as well as the experience of the advisor representative providing the service.

We will typically require an advance retainer payment equal to 50% of the estimated total fee. The estimated fee will be determined by us and is based on an estimate of the number of hours that it will take to complete the plan multiplied by the hourly rate. The remainder of the fee will be due and payable upon completion and presentation of the financial plan. Typically financial advice will be presented within 90 days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.

At our discretion, the hourly fee may be waived. The decision to waive the fee is typically reserved for clients with a low level of assets and for clients that elect to implement financial planning advice through our Members Advisory Group Asset Management Program. When clients establish an account through the Asset Management Program, we receive fees separate from, and in addition to, the financial planning fees normally charged. Implementation services can also be provided through our advisor representatives in their separate capacities as securities agents and/or insurance agents. In those cases, our advisor representatives earn commissions for selling securities and/or insurance products to you. Members Advisory Group may waive or reduce the amount of the financial planning fee charged to a client when additional commissions are earned.

If you have signed up for this service, you have the right to terminate one-time financial planning services without penalty (i.e. no fees due) within five (5) business days after executing the agreement. After that, services terminate upon thirty (30) days after presentation of the written plan or completion of the consultation services, unless we mutually agree in writing to terminate services sooner. You can terminate financial planning services at any time by providing notice to our firm without penalty; however, you will still owe a fee for the hours we have worked prior to notification of the termination multiplied by the agreed upon hourly fee.

Members Advisory Group Asset Management Program

The Members Advisory Group Asset Management Program is offered by the firm through an arrangement using Charles Schwab & Company, Inc.'s Schwab Advisor Services. Through this program, we provide investment management services which can be defined as:

1. Providing continuous investment advice to a client; and
2. Making investments for the client based on the individual needs of the client.

Through this service, we offer a customized and individualized investment program for each client signing up for the service. If you sign up for this service, we will develop a specific asset allocation strategy crafted to focus on your specific investing goals and objectives.

Accounts through this program are established at Charles Schwab & Company, Inc. (referred to as "Charles Schwab" or "Schwab" throughout) in its capacity as a registered broker/dealer, member Financial Industry Regulatory Authority (FINRA) and Securities Investors Protection Corporation (SIPC). Clearing, custody and other brokerage services are provided by Charles Schwab for accounts established through the program. Therefore, clients will be required to establish a brokerage account(s) through Charles Schwab. Separate accounts are maintained for each client. Each client retains all rights of ownership of their accounts (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations). Please refer to *Item 15 – Custody* and *Item 16 – Investment Discretion* for more information.

The annual investment advisory fee we charge to each client for this service varies between 0.50% - 2.00% of the assets held in an account(s) and is negotiable. Factors we use to negotiate or determine the fee include the market value of the account, asset types, the client's financial situation and trading activity. The following is a sample of an asset based fee schedule which is provided as an illustration.

<u>Amount of Assets Managed</u>	<u>Annual Fee</u>
\$50,000 to \$100,000	1.25%
\$100,001 to \$500,000	1.00%
\$500,001 to \$1,000,000	0.75%
Above \$1,000,001	0.65%

The annual fee is divided and payable quarterly in advance through a direct debit in your account. All fees are debited directly from your account(s) held at Charles Schwab. You will need to provide our firm with written authorization to debit advisory fees from your accounts to be paid directly to Members Advisory Group. Fees are based on the account's asset value as of the last business day of the prior quarter. Fees for accounts opened at any time other than the beginning of a quarter will be prorated based on the number of days remaining in the initial quarter.

Prior to signing up for this service, you will need to sign a formal investment advisory agreement with our firm setting forth the terms and conditions, including the amount of investment advisory fees, under which the firm shall manage your account(s), and a separate custodial/clearing agreement with Charles Schwab.

Clients may open a "fee-plus" or "wrap-fee" account. In a fee-plus account, in addition to the investment advisory fee, the client will pay certain transaction charges to defray the costs associated with trade execution. These costs are set out and determined by Charles Schwab. In a wrap-fee account, the client does not pay transaction charges associated with trade execution but instead all transaction charges are

paid by our firm. It should be noted that for wrap-fee accounts, there is the potential incentive for us to execute fewer trades than in a fee-plus account because we must pay the transaction costs thus reducing the overall portion we retain from the client's advisory fee. However, consistent with our fiduciary duty to clients, it is our policy to place our clients' investment interests ahead of own financial interests in this situation and thus we attempt to minimize the consideration of trading costs when making investment decisions.

Clients may incur certain charges imposed by third parties other than Members Advisory Group in connection with investments made through the account, including but not limited to, 12b-1 fees and surrender charges, and IRA and qualified retirement plan fees. Management fees charged by Members Advisory Group are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Program accounts may cost the client more or less than if the assets were held in a traditional brokerage account. In a brokerage account, a client is charged commissions for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold investment strategy for the account or does not wish to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than an account through the Members Advisory Group Asset Management Program.

If you sign up for this service, you can terminate the agreement for services at any time. We are also able to terminate services at any time. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty and no fees shall be due or a full refund of any fees already paid in advance will be provided. If services are terminated after the initial five day period, a refund will be provided for the final quarterly fee paid in advance. The refund will be determined based on the number of days remaining in the quarter as of the date of termination. Termination shall be effective from the time the other party receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final refund of advisory fees. There will be no penalty charge upon termination.

This section is intended to be a summary of the Members Advisory Group Asset Management Program. Clients engaging this service will receive the program's Form ADV Part 2A Appendix 1 – Wrap Fee Program Brochure.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Members Advisory Group **does not charge or accept performance-based fees** which can be defined as fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Members Advisory Group generally provides investment advice to individuals. All clients are required to execute an agreement for services in order to establish a client arrangement with Members Advisory Group.

No Minimum Investment Amounts Required

Members Advisory Group does not impose a minimum investment amount to establish accounts.

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

Members Advisory Group uses the following methods of analysis in formulating investment advice.

We primarily use **Fundamental** analysis when formulating investment advice. Fundamental analysis is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Members Advisory Group uses the following investment strategies when managing client assets and/or providing investment advice.

- Long term purchases - Investments held at least a year.
- Short term purchases - Investments sold within a year.

Risk of Loss

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients (including you) should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When our firm invests in a an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

In September 2012, Jeffrey Cashmore signed a Letter of Acceptance, Waiver and Consent to settle certain findings alleged by the Financial Industry Regulatory Authority (FINRA). FINRA is the self-regulatory organization for registered broker/dealers and was formerly known as the National Association of Securities Dealers (NASD).

FINRA alleged that Mr. Cashmore prepared and distributed sales literature to his clients and prospective clients consisting of Power Optimizer reports, Cash Flow Projections and Morningstar Reports for Class A mutual fund shares, but proposed Class C shares. A Fee and Asset Summary detailing the Class C

share expenses was provided, however FINRA alleged that this report lacked sufficient information outlining such expenses. FINRA additionally alleged that the document provided oversimplified and incomplete information failing to provide a sound basis for evaluating the facts with respect to the information contained in the package. Finally, FINRA alleged that Mr. Cashmore failed to comply with FINRA recordkeeping requirements.

To conclude the matter, Mr. Cashmore neither confirmed nor denied the findings, but accepted a one-month suspension from association with any FINRA member broker/dealer firm in any capacity and a \$5,000 fine of which he paid the entire portion.

Item 10 – Other Financial Industry Activities and Affiliations

Members Advisory Group is an independent investment advisory firm and only provides investment advisory services. The firm is not engaged in any other business activities and offers no other services than those described in this Disclosure Brochure.

Members Advisory Group is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) accountant or accounting firm, (7) lawyer or law firm, (8) insurance company or agency, (9) pension consultant, (10) real estate broker or dealer, or (11) sponsor or syndicator of limited partnerships.

Insurance Agent

You may work with your investment adviser representative in his separate capacity as an insurance agent. When acting in his separate capacity as an insurance agent, the investment adviser representative may sell, for commissions, general disability insurance, life insurance, annuities, and other insurance products to you. As such, your investment adviser representative, in his separate capacity as an insurance agent, may suggest that you implement recommendations of Members Advisory Group by purchasing disability insurance, life insurance, annuities, or other insurance products. This receipt of commissions creates an incentive for the representative to recommend those products for which your investment adviser representative will receive a commission in his or her separate capacity as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

Members Advisory Group has established a Code of Ethics that will apply to all of its associated persons. 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. Members Advisory Group has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for the advisor's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. Members Advisory Group requires all of its 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. Members Advisory Group has the responsibility to make sure that the interests of all

clients are placed ahead of the firm's or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. Members Advisory Group and its 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 Members Advisory Group's Code of Ethics.

However, if a client or a potential client wishes to review Members Advisory Group's Code of Ethics in its entirety, a copy will be provided promptly upon request.

Affiliate and Employee Personal Securities Transactions Disclosure

Members Advisory Group or its associated persons may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Members Advisory Group that all persons associated in any manner with the firm must place the interests of the firm's clients ahead of their own when implementing personal investments. Members Advisory Group and its associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry.

Item 12 – Brokerage Practices

Brokerage Recommendations

Clients wishing to implement Members Advisory Group's financial planning advice are free to select any broker they wish and are so informed.

If clients sign up for the Members Advisory Group Asset Management Program, Charles Schwab will be used as the broker/dealer and custodian. Not all investment adviser firms require or even recommend the use of a particular broker/dealer, but we have chosen to utilize the services of Charles Schwab for our program.

As disclosed in Item 4, Charles Schwab & Co., Inc. is a FINRA-registered broker-dealer, member SIPC, and is used to maintain custody of clients' assets and to effect trades for their accounts. Although Members Advisory Group may require, as a condition for using our program, clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Members Advisory Group is independently owned and operated and not affiliated with Schwab. Members Advisory Group may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

Schwab provides Members Advisory Group with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained at Schwab Institutional. These services are not contingent upon Members Advisory Group committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

For Members Advisory Group's clients' accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Institutional also makes available to Members Advisory Group other products and services that benefit Members Advisory Group but may not directly benefit clients' accounts. Many of these products and services may be used to service all or some substantial number of Members Advisory Group' accounts, including accounts not maintained Schwab.

Schwab's products and services that assist Members Advisory Group in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Members Advisory Group's fees from some of its accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to Members Advisory Group. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of Members Advisory Group personnel. While as a fiduciary, Members Advisory Group endeavors to act in its clients' best interests, Members Advisory Group's recommendation that clients maintain their assets in accounts at Schwab may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

We will execute block trades when we determine it is most beneficial for our clients. For example, we initiate a block trade when selling out of one position to cash. We will also execute block trades when purchasing or selling one security for multiple clients at the same time. We rely on the Charles Schwab trading software when changes of the same security are made in multiple accounts on the same trading day. For equity trades, purchases of fewer than 5000 shares are placed at once but they will fill independently of each other. For purchases greater than 5000 shares, orders are filled at the same time and then allocated to individual accounts. For mutual fund transactions all orders are placed at once but they fill independently of each other.

The process of aggregating client orders (whether filled together or independently) is done in order to achieve better execution, to attain more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. We have implemented procedures to ensure all trading opportunities are allocated and implemented on a fair and equitable basis (for example first-in/first-out). We are not currently aware of any material savings that would be obtained by block trading for our clients on the Charles Schwab platform.

Item 13 – Review of Accounts

Review of Accounts

Ongoing financial planning services will include two appointments during the year to review and update the information, assumptions and advice. Online technology tools are used for financial planning clients to help organize and coordinate their data. As changes happen throughout the year, we will meet either in person or over the phone to render financial advice on an ongoing basis. The fixed fee will cover these reviews and advice.

One-time (hourly) financial planning services terminate upon completion of such services and full payment of all fees due. Therefore, no reviews are conducted for these clients. If clients elect to have a review and update to an original consultation, additional fees may be charged and clients may be required to sign a new client agreement.

Account reviews are provided in connection with our Members Advisory Group Asset Management Program. For clients participating in this program, your advisor representative will contact you at least annually for the purpose of reviewing your account and determining if there have been changes in your financial situation or investment objectives. The calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market. The underlying investments held in accounts are reviewed on a more frequent basis. Portfolios constructed by Members Advisory Group are usually reviewed as frequently as weekly, but no less than quarterly by our advisor representatives. Triggering factors for changes to underlying portfolios include the relative valuation changes between asset classes, deviation from management style by fund, or fund closures.

Our advisor representatives, Jeffrey Cashmore and Scott Cashmore are responsible for providing all investment advisory services and making all investment recommendations.

Statements and Reports

Specific to the Members Advisory Group Asset Management Program, during any month there is activity in a program account, you will receive a **monthly account statement**, from Charles Schwab, showing account activity as well as positions held in your account(s) at month end. Additionally, you will receive a **confirmation** of each transaction that occurs within the account unless the transaction is the result of a systematic purchase, redemption or exchange. All account data and statements are also available on-line through the account view portal through Charles Schwab. In addition, Members Advisory Group may provide **newsletters** covering general financial planning and investment topics.

Item 14 – Client Referrals and Other Compensation

Arrangement with Local Credit Unions

You should know that we formed an arrangement with Western Division Federal Credit Union. While we are not affiliated (i.e. under common control or ownership) with the credit union, the firm maintains office locations within credit union branches. Further Members Advisory Group shares with the credit union a portion of advisory fees received from credit union clients.

While Members Advisory Group and its associated persons do not receive referral fees from the credit union, Members Advisory Group and its associated persons will refer clients of the firm to Western Division Federal Credit Union. **We will never share your information or provide your name to the credit union without first attaining your consent to do so.**

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Members Advisory Group is deemed to have custody of client funds and securities whenever Members Advisory Group is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Members Advisory Group will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Members Advisory Group is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian (i.e. Charles Schwab) in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Members Advisory Group. When clients have questions about their account statements, they should contact Members Advisory Group or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Through our asset management services and upon receiving written authorization from a client, Members Advisory Group will maintain trading authorization over client accounts. Upon receiving written authorization from the client, Members Advisory Group may implement trades on a **discretionary** basis. When discretionary authority is granted within our client agreement, Members Advisory Group will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is the policy of Members Advisory Group to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

If you decide to grant trading authorization on a **non-discretionary** basis, we will be required to contact you prior to implementing changes in your account. Therefore, you will be contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis, you need to know that if you are not able to be reached or are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

All clients have the ability to place reasonable restrictions on the types of investments that may be purchased in an account. Clients may also place reasonable limitations on the discretionary power granted to our firm so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Members Advisory Group will not vote proxies on behalf of your account. While there are some investment advisors that will vote proxies and other corporate decisions on behalf of their clients, we have determined that taking on the responsibility for voting client securities does not add enough value to the services provided to clients to justify the additional compliance and regulatory costs associated with voting client securities. Therefore, it is your responsibility to vote all proxies for securities held in accounts managed by our firm.

Clients will receive proxies directly from their custodian or transfer agent and such documents will not be delivered by our firm. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us.

Item 18 – Financial Information

This item is not applicable to this brochure. We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

CUSTOMER PRIVACY POLICY

Regulation S-P, Privacy of Consumer Financial Information, requires financial institutions, including Members Advisory Group, to provide notice to current clients and prospective clients about their policies and practices concerning the collection and use of customer, non-public information. This privacy policy notice is given to all prospective clients of Advisor upon entering into a contract with Members Advisory Group and annually thereafter.

Privacy Disclosure Statement. A primary goal of Members Advisory Group is to protect the privacy of its clients. Members Advisory Group does not sell the personal information of clients to anyone.

To conduct regular business, Members Advisory Group may collect nonpublic personal information from clients. This information is provided by clients to Members Advisory Group on applications and other forms provided by clients to the firm as well as transactions with the firm, our affiliates, or others.

Members Advisory Group may enter into contracts with outside third parties so that the firm can assist its clients in servicing their accounts. In order to do this, the firm will disclose personal information to companies that help the firm process transactions for client accounts (for example, executing client trades at through a broker/dealer). However, the firm does not share or disclose any nonpublic customer information except as allowed or required by law. In addition to sharing information in order to provide financial services to clients, the firm may be required to disclose personal information to cooperate with regulators or law enforcement authorities, to resolve customer disputes, or for risk control.

Information Safeguarding. Members Advisory Group has implemented strict policies and procedures aimed at protecting the sensitive nature of client information. The firm restricts access to client information to only those members of the firm that must provide products and services to clients in order to service client accounts. Members Advisory Group has implemented physical, electronic, and procedural safeguards aimed at meeting the firm's duty to protect nonpublic client information.

If you have any questions concerning Members Advisory Group's customer privacy policy or concerns about your personal information please feel free to contact the firm at the number located on the cover page of this Disclosure Brochure.

4815-9590-5811, v. 1