

CULTIVAR CAPITAL, INC.

421 E. Hickory St., Suite 103
Denton, TX 76201

Thomas Muir: 940-600-4553

March 2013

This brochure provides information about the qualifications and business practices of Cultivar Capital, Inc. If you have any questions about the contents of this brochure, please contact us at 940-600-4553. 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 Cultivar Capital, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes

The following material changes occurred after the first filing of the firm's Form ADV, which occurred in January 2012:

In July 2012, the Firm moved to 421 E. Hickory St., Suite 103, Denton, TX 76201.

Table of Contents

Advisory Business	1
Fees and Compensation	2
Performance-Based Fees and Side-By-Side Management	4
Types of Clients	4
Methods of Analysis, Investment Strategies and Risk of Loss.....	4
Disciplinary Information.....	6
Other Financial Industry Activities and Affiliations	6
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	6
Brokerage Practices.....	7
Review of Accounts.....	10
Client Referrals and Other Compensation	10
Custody	10
Investment Discretion.....	11
Voting Client Securities	11
Financial Information.....	11

ADVISORY BUSINESS

Advisory Firm Description

Cultivar Capital, Inc. ("Cultivar" or the "Firm") is a fee-only registered investment advisory firm. The owner of the firm, Thomas E. Muir, has approximately 20 years of financial industry experience.

Types of Advisory Services

PORTFOLIO MANAGEMENT SERVICES

Cultivar provides investment supervisory services, including portfolio selection and portfolio management services. Investment advice is based on the individual needs and objectives of the client. Progress toward the client's goals is monitored periodically.

When opening an investment management account, the advisory representative obtains the necessary information to assist the client in determining the suitability of an investment program. This includes helping the client assess his or her risk tolerance and setting appropriate investment objectives (i.e., growth, income, growth and income, etc.). An advisory representative of Cultivar then suggests investment portfolio alternatives to meet the client's objectives factoring in the current investment and economic conditions. Clients are under no obligation to accept recommendations by the advisor or authorize transactions through the advisor.

FINANCIAL PLANNING SERVICES

Cultivar feels that financial planning is an integral part of its services to clients. Cultivar prepares financial plans that may include an analysis of all or selected topics from the following areas as they apply to each client's situation:

- Retirement Planning
- Education Planning
- Investment Planning
- Portfolio Analysis
- Tax Planning
- Risk Management
- Estate Planning

Cultivar gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed and a written report is often prepared. Should a client choose to implement the recommendations contained in the plan, Cultivar suggests a client work closely with his attorney, accountant, insurance agent and other professionals that he may wish to consult. Implementation of financial plan recommendations is entirely at the client's discretion.

Tailored Advisory Services

Cultivar will tailor a financial plan to each client, determining the client's financial goals, objective and requirements. Each portfolio is tailored similarly, by matching a client's investment objective and risk tolerance, goals and objectives to the appropriate asset allocation and mix of securities. Some clients may restrict the Firm from buying or selling particular investments in their portfolios. Any client may change or add restrictions at any time by notifying Cultivar in writing or by phone.

Client Assets Under Management

As of December 31, 2012, the Firm had \$130,856,790 of discretionary assets under management.

FEES AND COMPENSATION

ASSET MANAGEMENT FEES

The client's account will be billed automatically for asset management fees, in accordance with the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>	<u>Billed Quarterly</u>
First \$250,000*	1.00%	.2500%
\$250,001 – 500,000	.75%	.1875%
\$500,001 – 1,000,000	.50%	.1250%
Over 1,000,000	.25%	.0625%

*Subject to an annual minimum fee of \$2,500. At the advisor's discretion and upon agreement by the client, the minimum fee may be adjusted to an alternative annual asset management percentage for assets below the minimum account size.

Cultivar may negotiate its fee schedule. When determining a negotiated fee schedule, the Firm may consider, but is not limited to consideration of, the size of the prospective client, the prospective client's potential to refer future business, and the expected costs of maintaining the client relationship.

Fees for Cultivar's portfolio management services are billed quarterly in advance and are deducted from the client's account. Fees are calculated by multiplying one fourth of the indicated annual fee by the total dollar amount of assets under management at the market close on the first trading day of each quarter. For accounts that are placed under management after the beginning of the quarter, the management fee will be prorated based on the number of days during the quarter the assets were held in the account. The first payment is due at the beginning of the first full quarter after the client executes the investment advisory agreement. The first fee will include both the normal quarterly fee paid in advance and a pro-rated fee adjusted for contributions and withdrawals for the first partial quarter. Subsequent payments are due and will be assessed on the first trading day of each quarter. Upon termination, the client is entitled to a pro rata refund of any pre-paid quarterly fee based upon the number of days remaining in the quarter.

after termination. Either party, upon written notice, may terminate the investment advisory agreement.

Clients should be aware that, in addition to the investment advisory fees paid by the client in connection with the advisor's portfolio management services, each mutual fund or exchange traded fund ("ETF") also charges its own separate investment advisory management fees and other expenses. The fees and expenses are generally described in each fund's prospectus. A client could invest in a fund directly, without the services of Cultivar. In that case, the client would not receive the services provided by Cultivar which are designed, among other things, to assist the client in determining which funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Cultivar to understand fully the total amount of fees to be paid by the client and to evaluate the advisory services being provided. When Cultivar recommends investment in an open-ended mutual fund, it only recommends a no load fund.

TRANSACTION CHARGES

To the extent that security transactions are executed only through Charles Schwab & Company, Inc. ("Schwab"), they may be subject to commissions or transaction-related charges which are paid by the client according to the custodian's most current fee schedule. This schedule will be provided to the client upon request. Please see "Brokerage Practices" for more details on Cultivar's selection of brokers and its trading practices.

FINANCIAL PLANNING FLAT FEE

A flat fee will be calculated and agreed to with the client based on the nature and complexity of the client's situation. Any financial planning fee is agreed on between the client and Cultivar prior to Cultivar undertaking the work. Fees typically range from \$750 to \$5000, but are forecast on an individual basis and tailored to each person's situation. An installment of \$250 is payable upon the signing of the agreement with the balance due upon delivery of the written plan. The financial planning fee discussed above may be credited against client's initial asset management fee should the client decide to enter into an investment management agreement with Cultivar within 90 days of entering into the financial planning engagement.

Cultivar guarantees client's satisfaction with the final plan. Cultivar reserves the right to adjust the plan to tailor it to a client's requests. However, if Cultivar is not able to rewrite the plan to the client's satisfaction, then Cultivar will return the total of all fees paid. The clients agree to return the original plan to Cultivar upon receipt of the refund.

SPECIFICALLY REQUESTED FINANCIAL PLANNING SERVICES

Cultivar can also work with clients on specific issues, where the client chooses not to engage Cultivar for a complete financial plan. The fee for such services is generally a set flat fee agreed upon by the client and the advisor. The fee generally ranges from \$250 to \$1000, and varies with the complexity and estimated time needed to complete the requested analysis. Cultivar reserves the right not to set a flat fee and bill at \$125 per hour should a time estimate not be possible or should the client not wish to enter a flat-

fee arrangement. The fee may be applied toward a comprehensive plan fee or an investment management fee, if the client notifies Cultivar within 90 days of entering into such engagement. These fees will be due upon completion of the project or receipt of an invoice.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Cultivar does not charge performance-based fees.

TYPES OF CLIENTS

Cultivar provides portfolio management services to the following types of clients:

- Individuals
- High net worth individuals
- Pension and profit sharing plans
- Trusts, estates or charitable organizations
- Corporations or business entities other than those listed above

The minimum investment account size is \$250,000. However, a smaller account may be solicited or accepted at Cultivar's discretion. Factors considered in this decision can include the prospects that the account could eventually exceed \$250,000 because of projected cash flow or the possible reallocation of a client's assets. Cultivar and its representatives reserve the right to decline services.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Cultivar focuses primarily on fundamental analysis. However, the Firm may give consideration to technical aspects of an investment based on the economic environment, the investment's cyclical position and its suitability to the particular client. Cultivar may also review charts and other technical indicators in making investment decisions.

Cultivar uses various sources for its research. In choosing mutual funds and ETFs, a primary source of information is the Morningstar research database. This research is often supplemented and enhanced by reviewing information directly from the fund family, including prospectuses and other research.

Cultivar may use a mixture of no-load mutual funds, ETFs, ETNs, and some individual stocks to implement a broadly diversified strategy. Cultivar may select retail as well as institutional funds. The investments are monitored for performance, volatility and style consistency. This provides risk control and historically raises the probability of long-term success. Diversification provides a strategy that can be maintained through the ups and downs of volatile markets, allowing a client to build time in the market, rather than timing the market.

When new clients come to Cultivar with securities already in place, Cultivar will provide advice on such securities, as needed, to assist clients.

ASSET ALLOCATION PROGRAM

Advisory clients' accounts are generally invested in, but not restricted to, registered open-end investment companies ("mutual funds"), ETFs, ETNs, and individual stocks. The advisory representative selects investments that meet the client's objective and risk temperament, given overall investment and economic conditions. The appropriateness of the investment mix is determined in consultation with the client and is dictated by the client's goals and objectives.

In designing an allocation of diverse investments, Cultivar uses a multi-step process. First, the investor's investment objectives, time horizons and risk tolerance are evaluated through fact gathering and discussion. Then, an allocation is designed consistent with the client's long-term goals. The asset allocation is disciplined and tailored to a long-term approach and will be maintained until economic circumstances, market valuations, the client's risk tolerance, goals and/or objective changes. Multiple investments are utilized to diversify among asset classes, styles and strategies. Should the client's individual situation change, the client should notify Cultivar. An advisor representative can assist the client in revising the current portfolio or determining whether an adjustment in his allocation is needed based on the client's new situation.

Cultivar generally holds to a long-term asset allocation investment process. However, due to unique client circumstances, there may be the need to supplement this core long-term strategy with short-term purchases, short sales, margin transactions or options strategies. These unique strategies are generally implemented to manage concentrated position risk, to control the timing of taxation associated with larger positions or to manage overall portfolio risk.

Although Cultivar generally invests client assets in a diversified portfolio of mutual funds, ETFs, ETNs, and individual stocks, diversification and asset allocation may be accomplished through other types of investments, including closed-end funds, stock options, fixed income securities, and use of outside managers.

CONCENTRATED STOCK RISK MANGEMENT

Some clients come to Cultivar with large concentrated stock positions. Cultivar helps clients weigh the risk of maintaining the position by considering multiple factors. These factors may include the taxability of any gain realized, the prospects for the stock and the availability of other hedging strategies. This consultative process is multi-faceted and collaborative with the client. It is meant to ensure the client understands the risks and rewards of maintaining the concentrated position versus pursuing some form of hedging strategy.

RISK OF LOSS

Cultivar does not guarantee the future performance of the account or any specific level of performance, the success of any investment decision or strategy that the Firm may use, or the success of the Firm's overall management of the account. The client understands that investment decisions made for the client's account by the Firm are

subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

Options and short sales entail additional risk which in rapidly moving markets may exceed the dollar amount originally invested.

DISCIPLINARY INFORMATION

There have been no disciplinary actions against Cultivar.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Cultivar is not affiliated with a broker-dealer and does not have any other financial industry activities or affiliations beyond its role as investment advisor.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

Cultivar has adopted a Code of Ethics which describes the general standards of conduct that the Firm expects of all Firm personnel (collectively referred to as “employees”) and focuses on three specific areas where employee conduct has the potential to adversely affect the client:

- Misuse of nonpublic information
- Personal securities trading
- Outside business activities

Failure to uphold the Code of Ethics may result in disciplinary sanctions, including termination with the Firm. Any client or prospective client may request a copy of the Firm’s Code of Ethics which will be provided at no cost.

The following basic principles guide all aspects of the Firm’s business and represent the minimum requirements to which the Firm expects employees to adhere:

- Clients’ interests come before employees’ personal interests and before the Firm’s interests.
- The Firm must fully disclose all material facts about conflicts of interest of which it is aware between itself and clients as well as between Firm employees and clients.
- Employees must operate on the Firm’s behalf and on their own behalf consistently with the Firm’s disclosures and to manage the impacts of those conflicts.

- The Firm and its employees must not take inappropriate advantage of their positions of trust with or responsibility to clients.
- The Firm and its employees must always comply with all applicable securities laws.

Misuse of Nonpublic Information

The Code of Ethics contains a policy against the use of nonpublic information in conducting business for the Firm. Employees may not convey nonpublic information nor depend upon it in placing personal or clients' securities trades.

Personal Securities Trading

Cultivar, or individuals associated with Cultivar, may buy or sell securities identical to those recommended to customers for their personal accounts. Such trades may occur no sooner than the day after trades placed on behalf of clients. In addition, any related person(s) may have an interest or position in a certain security that may also be recommended to a client. Investing in IPOs or private placements in personal accounts must be preapproved by the Chief Compliance Officer.

Cultivar often recommends mutual fund portfolios to its clients. Mutual funds are traded at the close of each trading day, thereby eliminating any price advantage that a person associated with Cultivar might reserve over Cultivar's clients. Therefore, Cultivar's employees are allowed to trade in mutual funds at their discretion. Cultivar employees are also allowed to trade in equities and other securities after approval by the Chief Compliance Officer. Gifts received from vendors may not exceed \$200.00.

Employees are required to submit reports of personal securities trades on a quarterly basis, and securities holdings annually. These are reviewed by the Chief Compliance Officer to ensure compliance with the Firm's policies.

Outside Business Activities

Firm personnel may be directors of publicly traded entities only with prior approval of the Chief Compliance Officer. Employees are required to report any outside business activities generating revenue. If any are deemed to be in conflict with clients, such conflicts will be fully disclosed or the employee will be directed to cease this activity.

BROKERAGE PRACTICES

Cultivar participates in the Schwab Institutional (SI) services program offered to independent investment advisors by Schwab, a FINRA-registered broker-dealer. Clients in need of brokerage and custodial services will generally have Schwab recommended to them due to Schwab's:

- Discounted commission structure
- Arrangements with multiple mutual fund families to trade through Schwab
- Financial stability

- Provision of account information online to all clients
- Client service to Cultivar and its clients and
- Ease of reporting to Cultivar and its clients.

As part of the SI program, Cultivar receives benefits that it would not receive if it did not offer investment advice.

Clients approve the use of Schwab prior to their use as custodian. In recommending the use of a particular broker-dealer, it should be understood that the client will be subject to that particular broker-dealer's transaction or commission schedule. Cultivar may not have the authority to negotiate commissions, transaction fees or obtain volume discounts beyond those disclosed in its advisory contract. This could affect the execution costs borne by the client, and may result in a disparity in commission or transaction charges among clients. Cultivar generally enacts all trades through the custodian to avoid incurring extra fees for "trading away" from the custodian. These fees are charged by the custodian to the account for its administrative efforts to book the trade enacted through another broker-dealer. However, Cultivar might incur such fees if necessary to gain access to a desired investment opportunity and these fees were in alignment with those customary for the industry. Not all transactions enacted at Schwab incur commissions or transaction charges.

Research and Other Soft-Dollar Benefits

Schwab provides Cultivar 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 in accounts at SI. These services are not contingent upon Cultivar 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 a significantly higher minimum initial investment.

For Cultivar's client 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 also makes available to Cultivar other products and services that benefit Cultivar but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Cultivar's accounts.

Schwab's products and services that assist Cultivar in managing and administering clients' accounts include software and other technology that:

- Provide access to client account data (such as trade confirmations and account statements)

- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- Provide research, pricing and other market data
- Facilitate payment of Cultivar's fees from its clients' accounts
- Assist with back-office functions, recordkeeping and client reporting

SI also offers other services intended to help Cultivar manage and further develop its business enterprise. These services may include:

- Compliance, legal and business consulting
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants and insurance providers.

Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Cultivar. SI may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Cultivar. SI may also provide other benefits such as educational events or occasional business entertainment of Cultivar personnel. In evaluating whether to require that clients custody their assets at Schwab, Cultivar may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

Brokerage for Client Referrals

Cultivar does not direct trades to particular brokers in exchange for receiving client referrals.

Directed Brokerage

Clients are not allowed to request that trades be enacted through a specific broker. Cultivar requires clients to use one of the Firm's recommended broker-dealers as account custodian. Not all advisors require their clients to use a particular custodian or broker.

Order Aggregation

Accounts are generally managed on an individual, rolling basis except for strategy-wide rebalancing and investment changes. If there is a strategy-wide allocation change, Cultivar may aggregate orders to ensure pricing and timing are the same across participating client accounts. The purpose of aggregating trades is for clients who are similarly situated to not be intentionally favored over one another. Trades enacted for

clients in the same security during the same day, such as ETFs, that are not aggregated may receive different prices.

Since Schwab charges transaction fees at the account level whether or not a trade is placed as a block trade, aggregating trades does not affect client transaction fees.

REVIEW OF ACCOUNTS

Portfolio Management Services: Thomas Muir, President, conducts periodic reviews of client accounts, generally no less than annually. These reviews entail comparing the client's investment objective to the portfolio holdings, cash flows, changes in the client's financial position, and often discussion with the client.

An advisor will meet with each client on a periodic basis to review his account. The frequency of these reviews can be impacted by several factors including:

- The size and complexity of the client's accounts
- The complexity of the client's financial situation
- Unexpected changes in the client's goals or objectives
- Changes in political and economic circumstances
- Other lifestyle changes warranting a review of the client's financial situation

Periodic written performance reports will be prepared for each review in addition to the monthly account statements and confirmations that are generated by the custodian of the assets.

Financial Planning: Reviews of financial planning client accounts are provided as contracted at the inception of the advisory relationship and as dictated by changes in a current client's financial situation. Reports are provided accordingly.

CLIENT REFERRALS AND OTHER COMPENSATION

Cultivar does not pay outside parties for referring clients. The Firm receives no cash benefit, including commissions, from any party in connection with clients' accounts.

CUSTODY

Generally, the client's investments are held at Charles Schwab & Co., Inc. ("Schwab"), a registered broker-dealer, Member SIPC. Advisory representatives do not usually recommend investment of an advisory client's account in investments that are not sold by or through Schwab. However, the advisor may make a recommendation of an alternative custodian should a client's situation warrant such alternative recommendation.

Although Cultivar may recommend that clients establish accounts at Schwab, depending on their individual circumstances, it is ultimately the client's decision to custody assets with Schwab. Cultivar may choose not to serve the client should the client desire to

maintain custody elsewhere. While Cultivar may recommend Schwab, Cultivar is independently owned and operated and not affiliated with Schwab.

Because Cultivar generally has the authority to instruct the account custodian to deduct the investment management fee directly from the client's account, Cultivar is considered to have "custody" of client assets. Custody is defined as having any access to client funds or securities. This limited access is monitored by the client through receipt of account statements directly from the custodian. These statements all show the deduction of the management fee from the account. Otherwise, Cultivar may only direct the movement of funds from one account in the client's name to another such titled account, but has no other access to funds.

When clients receive their statements from the account custodian, clients should carefully review those statements and take the time to compare them with any they receive from Cultivar. If the client finds significant discrepancies, the custodian and Cultivar should be notified.

INVESTMENT DISCRETION

Cultivar has the discretionary trading authority on its clients' accounts. This authority includes the timing and amount of securities bought or sold. Each client agrees to this authority upon entering into the discretionary investment management agreement with Cultivar, which includes a limited power of attorney granting the Firm trading and fee withdrawal authority.

VOTING CLIENT SECURITIES

Cultivar does not vote client securities. Clients receive proxy material directly from their account custodian by either email or U.S. mail. Clients may address questions concerning a proxy matter to Firm personnel.

FINANCIAL INFORMATION

Cultivar is not required to provide financial information.