

Krinos Financial Group LTD, Inc.

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This Brochure provides information about the qualifications and business practices of Krinos Financial Group LTD, Inc. If you have any questions about the contents of this Brochure, please contact us at (330) 742-4020 or via email at gkrinos@krinosgroup.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.

Krinos Financial Group LTD, Inc. is a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information that you may use to determine whether to hire or retain them. Additional information about Krinos Financial Group LTD, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since our last filing in March 2013, the following section has been updated to reflect the change to our business:

- Item 4: Added third party money managers G-Sphere and Envestnet
- We are no longer eligible for SEC registration and are switching to state registration

We will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year which is December 31st. We will provide other ongoing disclosure information about material changes as necessary. We will also provide you with a new Brochure, as necessary, based on changes or new information. Currently, our Brochure may be requested at any time, without charge, by contacting George Krinos at (330) 742-4020.

Additional information about Krinos Financial Group LTD, Inc. is also available via the SEC's website www.adviserinfo.sec.gov. You can search this site by using a unique identifying number, known as a CRD number. The CRD number for Krinos Financial Group LTD, Inc. is #165213. The SEC's web site also provides information about any persons affiliated with Krinos Financial Group LTD, Inc. who are registered, or are required to be registered, as Investment Adviser Representatives of Krinos Financial Group LTD, Inc.

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Item 4 – Advisory Business Introduction

Krinos Financial Group LTD, Inc. is a Registered Investment Adviser (“Adviser”) registered through and regulated by the The Ohio Department of Commerce.

We provide investment advice through investment adviser representatives (“advisor”) associated with us. These individuals are appropriately licensed, qualified, and authorized to provide advisory services on our behalf. In addition, all advisors are required to have commensurate educational and industry experience.

Our investment process employs a bottom-up, fundamentally-driven research approach coupled with an analytics driven methodology model and process which aids in both identifying and evaluating investment opportunities while instilling rigor and process that also aid in the management of risk. Our investment universe principally consists of providing initial and ongoing capital to new business.

Krinos Financial Group LTD, Inc. was founded in 2012 by George Krinos who serves as a Chief Executive Officer and Chief Compliance Officer; he is also the principal owner of Krinos Holdings, Inc. DBA Krinos Group, which is the sole owner of Krinos Financial Group LTD, Inc. We provide investment analysis and portfolio management services to individuals, high net worth individuals, charitable organizations, institutions and pension and profit-sharing plans. We value long term relationships with our clients whom we regard as strategic partners in our business.

Services

As of 3/17/2013, we do not have any assets under management nor do we have accounts for which we provide asset management services. We are a new adviser as of 2012.

1. Investment Management Services

We also offer investment management services for our advisory Clients. With an Investment Management Account, you engage us to assist you in developing a personalized program designed to meet your unique investment objectives. The investments in the portfolio account may include stocks, bonds, equity options, futures, etc. We do not sponsor or participate in wrap fee programs.

We will meet with you to discuss your financial circumstances, investment goals and objectives, and to determine your risk tolerance. We will ask you to provide statements summarizing current investments, income and other earnings, recent tax returns, retirement plan information, other assets and liabilities, wills and trusts, insurance policies, and other pertinent information. Based on the information you share with us, we will analyze your situation and recommend an appropriate asset allocation or investment strategy. Our recommendations and ongoing management is based upon your investment goals and objectives, risk tolerance, and the investment portfolio you have selected. We will monitor the account, trade as necessary, and communicate regularly with you. Your circumstances shall be monitored in quarterly and annual account reviews. You will also receive our Advisory Agreement which describes what services you will receive and what fees you will be charged.

You must notify us promptly when your financial situation, goals, objectives, or needs change.

With our Investment Management Services, you may have the ability to impose restrictions on investments in certain underlying funds, securities, types of underlying funds or types of securities.

Under certain conditions, securities from outside accounts may be transferred into your account; however, we may recommend that you sell any security if we believe that it is not suitable for the current recommended investment strategy. You are responsible for any taxable events in these instances. Certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is not indicative of future results.

Accounts to whom we provide investment management services will be managed on a discretionary basis, which means we have the authority to determine the following without your prior consent:

- Securities to be bought or sold for your account
- Amount of securities to be bought or sold for your account
- Broker- dealer to be used for a purchase or sale of securities for your account
- Commission rates to be paid to a broker or dealer for your securities transaction

Trading in these accounts may be required to meet initial allocation targets, after substantial cash deposits that require investment allocation, and/or after a request for a withdrawal that requires liquidation of a position. Additionally, your account may be rebalanced or reallocated periodically in order to reestablish the targeted percentages of your initial asset allocation.

Clients will be responsible for any and all tax consequences resulting from any rebalancing or reallocation of the accounts. We are not tax professionals and do not give tax advice. However, we will work with your tax professionals to assist you with tax planning.

If you decide to implement our recommendations, we will help you open a custodial account(s). The funds in your account will generally be held in a separate account, in your name, at an independent custodian, not with us. We recommend using Sterne Agee. You will enter into a separate custodial agreement with the custodian. You will at all times maintain full and complete ownership rights to all assets held in your account, including the right to withdraw securities or cash, proxy voting and receiving transaction confirmations.

You will receive, at least quarterly, a statement containing a description of all the activity in your account from the custodian. This statement lists the total value at the start of the quarter, itemizes all transaction activity during the quarter, and lists the types, amounts, and total value of securities held as of the end of the quarter. Your statement may be in either printed or electronic form based upon your preferences.

We may also provide you with a quarterly performance statement starting at the end of the first full calendar quarter after signing the Advisory Agreement. These statements give you additional feedback regarding performance, educate you about our investment philosophy, and describe any changes in current strategy and allocation along with the reasons for making these changes.

We are available during normal business hours either by telephone, fax, email, or in person by appointment to answer your questions.

2. Third Party Money Managers

We may determine that opening an account with a professional third party money manager is in your best interests. We have contracted with G-sphere and Envestnet to provide third party money management services.

These programs allow you to obtain portfolio management services that typically require higher minimum account sizes outside of the program. The money managers selected under these programs will have discretion to determine the securities they buy and sell within the account, subject to reasonable restrictions imposed by you. Due to the nature of these programs, each of the independent money managers is obligated to provide you with a separate disclosure document. You should carefully review this document for important and specific program details, including pricing. Under these programs, we may:

- Assist in the identification of investment objectives
- Recommend specific investment style and asset allocation strategies
- Assist in the selection of appropriate money managers and review performance and progress
- Recommend reallocation among managers or styles within the program
- Recommend the hiring and firing of money managers utilized by you

You should read the ADV Part 2 disclosure document of the money manager you select for complete details on the charges and fees you will incur.

3. Other Services

Our advisors may recommend and sell life, disability, health, annuities and long-term care insurance. They will receive the usual and customary commissions associated with these sales from the insurance company. Your advisory fee will not be reduced by any payments we receive from these sales.

We also offer the option of fixed-fee project-based services including portfolio reviews. If your needs do not fit into any of the services listed, we can also provide on-demand financial consulting.

Item 5 – Fees and Compensation

Our Investment Management Agreement defines what fees are charged and their frequency. We usually bill fees in arrears on a quarterly basis. You will authorize the custodian to directly debit fees from your account held at the custodian and to pay us. Management fees are prorated for each contribution and withdrawal made during the applicable calendar quarter (with the exception of small inconsequential contributions and withdrawals). You will be provided with a quarterly statement reflecting deduction of the advisory fees.

Our fees do not include brokerage commissions, transaction fees, and other related costs and expenses. You may incur certain charges imposed by custodians, third party investment companies and other third parties. These include fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds, money market funds and exchange traded funds also charge internal management fees, which are disclosed in the fund's prospectus. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. We do not receive any compensation from these fees. All of these fees are in addition to the management fee you pay us. You should review all fees charged to fully understand the total amount of fees you will pay. Services similar to those offered by us may be available elsewhere for more or less than the amounts we charge.

Either party may terminate the agreement at any time by providing written notice to the other party. You will incur charges for advisory or consulting services rendered up to the point of termination and such fees will be due and payable by you within five business days of being billed. Accounts opened or terminated during a calendar quarter will be charged a prorated fee.

1. Investment Management Fee Schedule

Our minimum account opening balance for investment advisory Clients is \$25,000; however, this may be negotiable depending upon certain circumstances. The fee charged is based upon the amount of money you invest. Multiple accounts of immediately-related family members, at the same mailing address, will be considered one consolidated account for billing purposes. Accounts managed via our investment management services pay a management fee under the following schedules:

Equities and Mutual Funds

Percentage	Portfolio Size (AUM)
1.90%	Up to \$249,999
1.50%	\$250,000 - \$499,999
1.00%	\$500,000 - \$999,999
0.90%	\$1,000,000 - \$1,999,999
0.80%	\$2,000,000 - \$2,999,999
0.70%	\$3,000,000 - \$3,999,999
0.60%	\$4,000,000 - \$4,999,999
0.50%	\$5,000,000 +

Fixed Income

Percentage	Portfolio Size (AUM)
0.30%	All sizes

The fees shown above are annual fees, which are paid quarterly, in arrears. Payments are due and will be assessed on the last day of each quarter, based on the ending balance of the account under management for the preceding quarter. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee; however, fees may be negotiable.

No increase in the annual fee shall be effective without prior written notification to you. We believe our advisory fee is reasonable considering the fees charged by other investment advisers offering similar services/programs however lower fees for comparable services may be available from other advisors.

2. Third Party Management

The fee charged is based upon the amount of money you invest. A portion of the advisory fee you pay to the third party manager will be paid to us. Please read the third party manager's ADV Part 2A for complete details on the fees they charge.

3. Other Services

Our Advisors may recommend and sell life, disability, health, and long-term care insurance and will receive the usual and customary commissions in addition to any agreed upon advisory fee.. The client will not pay a separate fee for insurance products and the client's advisory fee will not be reduced by any commissions we receive from insurance sales.

Item 6 – Performance Based Fee and Side by Side Management

We do not charge any performance-based fees. These are fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 – Types of Client(s)

We provide portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans, charitable institutions, foundations, endowments, trusts, and institutions.

Our minimum account opening balance for investment advisory Clients is \$25,000; however, this may be negotiable depending upon certain circumstances.

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

We use Fundamental and Quantitative Analyses as part of our overall investment management discipline; the implementation of these analyses as part of our investment advisory services to you may include any, all or a combination of the following:

1. Fundamental Analysis

Fundamental analysis is a technique that attempts to determine a security's value by focusing on the underlying factors that affect a company's actual business and its future prospects. Fundamental

analysis is about using real data to evaluate a security's value. It refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements.

Fundamental analysis serves to answer questions, such as:

- Is the company's revenue growing?
- Is it actually making a profit?
- Is it in a strong-enough position to beat out its competitors in the future?
- Is it able to repay its debts?

One of the primary assumptions of fundamental analysis is that the price on the stock market does not fully reflect a stock's "real" value. We use a combination of qualitative and quantitative factors to try and find stocks that are undervalued. We look at both macroeconomic factors such as the overall economy and industry conditions and company-specific factors such as financial condition and management. When we are examining a stock, we might look at the stock's annual dividend payout, earnings per share, Price to Earnings ratio and many other quantitative factors. However, no analysis is complete without taking into account brand recognition and other qualitative factors.

The end goal of performing fundamental analysis is to produce a value that we can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).

Once we discover undervalued securities or funds that are investing in undervalued stocks; we look at the stability and volatility.

In order to perform this fundamental analysis, we use many resources, such as:

- Morningstar
- Financial newspapers and magazines (e.g. Wall Street Journal, Forbes, etc.)
- Annual reports, prospectuses, filings with the Securities and Exchange Commission
- Research materials prepared by others
- Company press releases
- Corporate rating services
- Company websites

The investment strategies we use to implement any investment advice given to you include, but are not limited to:

- Long term purchases -securities held at least a year
- Short term purchases - securities sold within a year
- Trading -securities sold within 30 days
- Short sales

- Margin Transactions
- Option writing, including covered options, uncovered options or spreading strategies

2. Quantitative Analysis

Within the investment industry, the current definition of quantitative analysis includes almost any application of mathematics and its principals to finance and primarily involves three mathematic principals: statistics and probability, differential calculus and econometrics. Through these methods, quantitative analysts are principally concerned with investment management, risk management and securities pricing. Further, quantitative analysis depends heavily upon computers to develop systems and software designed to assist in financial decision making and modeling.

Statistics in finance utilizes theories and methods developed by physicists to analyze financial markets and determine investment models and approaches. Statistical finance focuses on three areas: (1) empirical studies focused on the discovery of interesting statistical features of financial time-series data aimed at extending and consolidating the known stylized facts, (2) the use of these discoveries to build and implement models that better price derivatives and anticipate stock price movement and (3) the study of collective and emergent behavior in simulated and real markets to uncover the mechanisms responsible for the observed stylized facts. Stylized facts associated with statistical finance include:

- Stock markets are characterized by bursts of price volatility
- Price changes are less volatile in bull markets and more volatile in bear markets.
- Price change correlations are stronger with higher volatility, and their auto-correlations die out quickly
- Almost all real data have more extreme events than suspected
- Volatility correlations decay slowly
- Trading volumes have memory the same way that volatilities do
- Past price changes are negatively correlated with future volatilities

As part of our application of analytical methods, we utilize third-party provided software to assist us in developing strategies and approaches we use as part of our investment analyses and portfolio management.

3. Cyclical Analysis

While we do not attempt to time the market, we may use cyclical analysis in conjunction with other strategies to help determine if shifts are required in your investment strategies depending upon long and short-term trends in financial markets and the performance of the overall national and global economy.

4. Third Party Money Manager Methods of Analysis

Third Party Managers may use Fundamental and Quantitative Analyses as part of their overall investment management discipline. They may also use other methods of analysis. Please refer to the ADV Part 2A of the third party manager for complete details on their methods of analysis.

5. Risks

We cannot guarantee our analysis methods will yield a return. In fact, a loss of principal is always a risk. Investing in securities involves a risk of loss that you should be prepared to handle. You need to understand that investment decisions made for your account by us are subject to various markets, currency, economic, political and business risks. The investment decisions we make for you will not always be profitable nor can we guarantee any level of performance. For a more comprehensive description of all the risks associated with our strategies, methodology, and products please refer to the glossary under Risks.

Item 9 – Disciplinary Information

Registered Investment Advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management. We have no information to disclose here about the firm; George Krinos has the following financial disclosures:

- An individual bankruptcy action was initiated on December 11, 2002 due to unexpected family circumstances that precipitated financial hardship. Payment schedule was setup on January 25, 2003 for \$260 per month for fifty (50) months. Bankruptcy has been dismissed as of June 15, 2004.
- An individual bankruptcy action was initiated on February 21, 2006; a court approved Chapter 7 filing discharged all debts and liens/judgments as of February 21, 2007
- A civil judgment was filed against George Krinos on August 29, 2009 for Capital One for \$1,100; Mr. Krinos maintains that this amount was based upon a stolen credit card which Capital One would not remove unauthorized charges.

We adhere to high ethical standards for all advisors and associates. We strive to do what is in your best interests.

Item 10 – Other Financial Industry Activities and Affiliations

1. Krinos Holdings, Inc. DBA Krinos Group

Krinos Financial Group, Inc. is a wholly owned subsidiary of Krinos Holdings, Inc. DBA Krinos Group. George Krinos spends approximately 60% of his time on matters related the Krinos Group.

2. Broker-Dealer Relationship

If requested, we will arrange for the execution of securities brokerage transactions for your account through broker-dealers that we reasonably believe will provide “best execution.” These transactions will take place through one of several broker-dealers depending upon where your account is custodied. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full

range of a broker-dealer's services including the value of research provided, execution capability, commission rates, and responsiveness. Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

Krinos Investment Group, Inc. is filing an application with FIRNA to become registered as a broker-dealer. Krinos Investment Group, Inc. is a wholly owned subsidiary of Krinos Holdings, Inc. DBA Krinos Group, which also owns Krinos Financial Group, Inc. Once registration is complete, Krinos Financial Group, Inc. plans to utilize Krinos Investment Group, Inc. for broker-dealer products and services. We will update this brochure once broker-dealer registration is complete.

3. Other Affiliations

George Krinos is the majority shareholder of Krinos Holdings, Inc. DBA Krinos Group, which owns Krinos Financial Group, Inc., Krinos Venture Capital, Inc., Krinos Investment Group, Inc., Krinos Trust Company, Krinos Wealth Management Inc. and Krinos Insurance Group, Inc. Mr. Krinos allocates approximately 60% of his time in this role. Some Advisors may also be licensed to offer Insurance.

Item 11 – Code of Ethics, Participation or Interest in Client Accounts and Personal Trading

1. General Information

We have adopted a Code of Ethics for all supervised persons of the firm describing its high standards of business conduct, and fiduciary duty to you, our client. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All of our supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

2. Participation or Interest in Client Accounts

We may recommend securities to you that we have purchased for our own accounts. We may trade securities in our account that we have recommended to you as long as we place our orders after your orders. This policy is meant to prevent us from benefiting as a result of transactions placed on behalf of advisory accounts.

The following acts are prohibited:

- Employing any device, scheme or artifice to defraud
- Making any untrue statement of a material fact
- Omitting to state a material fact necessary in order to make a statement, in light of the circumstances under which it is made, not misleading
- Engaging in any fraudulent or deceitful act, practice or course of business
- Engaging in any manipulative practices
- Participating in Client accounts

You may request a copy of the firm's Code of Ethics by contacting George Krinos.

3. Personal Trading

We have established the following restrictions in order to ensure our fiduciary responsibilities to you are met:

- No securities for our personal portfolio(s) shall be bought or sold where this decision is substantially derived, in whole or in part, from the role of Investment Advisory Representative(s) of Krinos Financial Group LTD, Inc., unless the information is also available to the investing public on reasonable inquiry. In no case, shall we put our own interests ahead of yours.
- We emphasize your unrestricted right to decline to implement any advice rendered.

However, some securities trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with our records as required.

In addition, open-end mutual funds and/or investment sub-accounts which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value. Therefore, purchases of mutual funds and/or variable insurance products by an advisor are not likely to have an impact on the prices of the fund in which you invest. These types of transactions are not prohibited by our policies and procedures.

Certain affiliated accounts may trade in the same securities with your accounts on an aggregated basis when consistent with our obligation of best execution. When trades are aggregated, all parties will share the costs in proportion to their investment. We will retain records of the trade order (specifying each participating account) and its allocation. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

4. Responsibility

It is the responsibility of all supervisory personnel to ensure that we conduct business with the highest level of ethical standards and in keeping with our fiduciary duties to you. We must put your interests first and refrain from having outside interests that conflict with your interests.

5. Privacy Statement

We are committed to safeguarding your confidential information and hold all personal information provided to us in the strictest confidence. These records include all personal information that we collect from you or receive from other firms in connection with any of the financial services they provide. We also require other firms with whom we deal with to restrict the use of your information. Our Privacy Policy is available upon request.

6. Conflicts of Interest

We have a duty to disclose potential and actual conflicts of interest. Employees have a duty to report potential and actual conflicts of interest to management. Gifts (other than de minimis gifts, which are

usually defined as having a value under \$100.00) should not be accepted from persons or entities doing business with us.

Performance based fee arrangements may create an incentive for us to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee paying accounts over other accounts. We have procedures to help ensure that you are treated fairly and equally, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Our investment advisor representatives may employ the same strategy for their personal investment account as they do for their clients. However, they do not place their orders in a way to benefit from the purchase or sale of a security.

We act in a fiduciary capacity. If a conflict of interest arises between us and you, we shall make every effort to resolve the conflict in your favor. Conflicts of interest may also arise in the allocation of investment opportunities among the accounts that we advise. We will seek to allocate investment opportunities according to what we believe is appropriate for each account. We strive to do what is equitable and in the best interests of all the accounts we advise.

7. Use of Disclaimers

We shall not attempt to limit liability for willful misconduct or gross negligence through the use of disclaimers.

Item 12 – Brokerage Practices

1. Soft Dollars

Sterne Agee and other third party managers may provide us with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act"). These research products and/or services will assist the Advisor in its investment decision making process. Such research generally will be used to service all of the Advisor's clients, but brokerage commissions paid by the client may be used to pay for research that is not used in managing the client's account. The account may pay to a broker-dealer a commission greater than another qualified broker-dealer might charge to effect the same transaction where the Advisor determines in good faith that the commission is reasonable in relation to the value of the brokerage and research services received.

Soft dollar benefits are not proportionally allocated to any accounts that may generate different amounts of the soft dollar benefits. Krinos Financial Group LTD, Inc. does not receive soft dollar benefits from anyone other than its broker-dealer.

There may other benefits from recommending Sterne Agee or other third party managers such as software and other technology that (i) provide 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 fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Other services may include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom Krinos Financial Group LTD, Inc. may contract directly. Krinos Financial Group LTD, Inc. may receive seminar expense reimbursements from product sponsors which may be based on the sales of products to their clients. Krinos Financial Group LTD, Inc. advisors could also receive 12(b) (1) fees as a result of placing clients with mutual funds. Clients will receive full disclosure regarding 12(b) (1) fees prior to such a sale.

2. Best Execution

We may recommend that the broker-dealer/custodian for your account be Sterne Agee Group, Inc.

In recommending Sterne Agee 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 broker-dealer/custodian 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.

We are independently owned and operated and not affiliated with Sterne Agee.

3. Brokerage for Client Referrals

We do not receive any compensation or incentive for referring you to broker-dealers for brokerage trades.

4. Trading

Transactions for each client account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients' differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

5. Directed Brokerage

Not all advisory firms require you to direct brokerage to a specific broker/dealer. We have an obligation to seek best execution for you. In seeking best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for account transactions.

By directing brokerage to Sterne Agee you may pay higher fees or transaction costs than those obtainable by other broker-dealers. In most cases, we believe you are paying a discounted and reasonable rate. You may pay higher or lower fees if you select another broker-dealer. Generally, we will not negotiate lower rates below the rates established by the executing broker-dealer for this type of directed brokerage account, unless we believe that such rate is unfair or unreasonable for the size and type of transaction. We believe that Sterne Agee pays industry standard commissions on transactions they handle for us. These commissions are reasonable and customary.

6. Trading

Transactions for each client account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but are not obligated to) combine or "batch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients' differences in prices and commission or other transaction costs. Under this procedure, transactions will be price-averaged and allocated among our clients in proportion to the purchase and sale orders placed for each client account on any given day.

Item 13 – Review of Accounts

1. Duty to Supervise

We are responsible for ensuring adequate supervision over the activities of all persons who act on our behalf. Specific duties include:

- Establish procedures that could be reasonably expected to prevent and detect violations of law by our advisory personnel
- Analyze operations and create a system of controls to ensure compliance with applicable securities laws
- Ensure that all advisory personnel fully understand the Company's policies and procedures
- Establish a review system designed to provide reasonable assurance that our policies and procedures are effective and being followed

2. Reviews

Reviews will be conducted by George Krinos, the Chief Compliance Officer, at least annually or as agreed upon. You may request more frequent reviews and may set thresholds for triggering events that would cause a review to take place. Generally, we will monitor for changes and shifts in the economy, changes to the management and structure of a mutual fund or company in which client assets are invested, and market shifts and corrections. You should notify us promptly of any changes to your financial goals, objectives or financial situation as such changes may require us to review your portfolio and make recommendations for changes.

3. Reports

Clients of regular advisory services will be provided with account statements reflecting the transactions occurring in the account on at least a quarterly basis. These statements will be written or electronic depending upon what you selected when you opened the account. You will be provided with confirmations for each securities transaction executed in the account. You must notify us of any discrepancies in the account or any concerns you have about the account.

Item 14 – Client Referrals and Other Compensation

We do not receive any compensation for referring clients to another advisor nor do we pay any compensation to another advisor if they refer clients to us.

Item 15 – Custody

We do not have physical custody of any accounts or assets. However, we may be deemed to have custody of your account(s) if we have the ability to deduct your quarterly fees from the custodian. We use Sterne Agee Group Inc. as the custodian and/or broker-dealer for all your accounts.

We do not debit the client fees directly from your advisory account. Only the custodian has the authority to directly debit fees from your account per our instructions and to forward these fees to us. . The Custodian will provide you immediate transaction confirmations and statements, either by mail or electronically per your request. Statements list the total value of the account at the start and end of the period and itemize all transactions and security positions. We urge you to carefully review such statements and compare this official custodial record to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. If you notice any discrepancies, please contact George Krinos.

For taxable accounts, the Custodian will provide you with consolidated year-end summary statements including IRS forms 1099 and other tax-related forms, as applicable. We are not allowed to make alterations or amendments to the custodian's statement. This preserves the integrity of the Custodian's statement and provides you with an independent appraisal of the account.

Item 16 – Investment Discretion

We usually receive discretionary authority from you at the beginning of an advisory relationship to select the identity and amount of securities to be bought or sold. This information is described in the Advisory Agreement you sign with us. In all cases, however, this discretion is exercised in a manner consistent with your stated investment objectives for your account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions you have set. For registered investment companies, our authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

We require that any investment guidelines and/or restrictions be provided to us in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on behalf of advisory clients. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. We may provide advice to you regarding your voting of proxies. We are authorized to instruct the Custodian to forward you copies of all proxies and shareholder communications relating to your account assets.

Item 18 – Financial Information

We are required to provide you with certain financial information or disclosures about our financial condition. We have no financial commitment that would impair our ability to meet any contractual and fiduciary commitments to you, our client. We have not been the subject of any bankruptcy proceedings.

In no event shall we charge advisory fees that are both in excess of \$500 and more than six months in advance of advisory services rendered.

Item 19 – Requirements for State Registered Advisers

Firm Principals

There is one firm principal, George Krinos. He was born in 1977. His information is as follows:

Brochure Supplement – George Krinos

Krinos Financial Group LTD, Inc.

909C Sahara Trail

Boardman, OH 44512

(330) 742-4020

April 9, 2013

This brochure supplement provides information about George Krinos that supplements the Krinos Financial Group LTD, Inc. brochure. You should have received a copy of that brochure. Please contact George Krinos at (330) 742-4020 if you did not receive Krinos Financial Group LTD, Inc.'s brochure or if you have any questions about the contents of this supplement.

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

Item 2 - Educational Background and Business Experience

George Krinos is a financial service professional with over eleven years of experience. His past experience includes working with some of the country's largest brokerage firms as an Investment Advisor Representative ("Advisor"). George Krinos was born in 1977.

Education

Business Economics (coursework only)
Youngstown State University, Youngstown, OH

Business History

April 2005 - Present	Chief Compliance Officer / Chief Executive Officer at Krinos Financial Group LTD, Inc.
April 2005 – Present	Chief Executive Officer at Krinos Holdings, Inc. DBA Krinos Group
December 2009 – June 2010	Advisor at Crown Capital Securities, LP
September 2009 – October 2009	Advisor at Brokers International Financial Services
November 2007 – September 2009	Advisor at Broker Dealer Financial Services Corp.
July 2005 – November 2005	Advisor at 1717 Capital Management
July 2005 – November 2005	Advisor at Nationwide Provident
September 2003 – July 2005	Advisor at Metlife Securities Inc.
September 2003 – April 2005	Advisor at Metropolitan Life Insurance Co.
April 2003 – September 2003	Advisor at Telesolutions Inc.
August 2001 – April 2003	Advisor at Edward Jones

Item 3 - Disciplinary Information

George Krinos has no disciplinary history that must be disclosed; however, he does have financial disclosures. They are as follows:

- An individual bankruptcy action was initiated on December 11, 2002 due to unexpected family circumstances precipitated financial hardship. Payment schedule was setup on January 25, 2003 for \$260 per month for fifty (50) months. Bankruptcy has been dismissed as of June 15, 2004.
- An individual bankruptcy action was initiated on February 21, 2006; a court approved Chapter 7 filing discharged all debts and liens/judgments as of February 21, 2007
- A civil judgment was filed against George Krinos on August 29, 2009 for Capital One for \$1,100; Mr. Krinos maintains that this amount was based upon a stolen credit card which Capital One would not remove unauthorized charges.

Item 4 - Other Business Activities

George Krinos is the majority shareholder of Krinos Holdings, Inc. DBA Krinos Group, which owns Krinos Financial Group, Inc., Krinos Venture Capital, Inc., Krinos Investment Group, Inc. and Krinos Insurance Group, Inc. Mr. Krinos allocates approximately 60% of his time in this role.

Item 5 - Additional Compensation

There is no additional compensation awarded George Krinos for providing advisory services, such as sales awards or prizes.

Item 6 - Supervision

In the course of his supervisory duties as Chief Compliance Officer, George Krinos will periodically review advisory accounts, correspondence, and advisory activities. Please contact him at (330) 742-4020 with questions regarding supervision.

Performance Fees

We do not charge a performance-based fee (fees based on a share of capital gains on, or capital appreciation of, the assets of a client) for our normal asset management accounts.

Other Relationships

Neither the firm nor George Krinos has any relationship with any issuer of securities

Glossary of Key Terms

Advisor – Your individual representative at Krinos Financial Group LTD, Inc.

Asset Allocation – The process of dividing investments among different kinds of assets, such as stocks, bonds, real estate and cash, to optimize the risk/reward tradeoff based on an individual's or institutions specific situation and goals; a key concept in financial planning and money management.

Asset-class investment portfolios – An asset class is a grouping of similar investments whose prices tend to move together. Asset classes can be defined on a very general level, such as stocks or on a more specific level, such as American silver producing companies. The concept of asset classes is important because one of the goals when building an investment portfolio is to use different asset classes which are not correlated with each other.

Correlation (financial) – a measure of the co-movement of two or more financial variables in time.

Diversification – a portfolio strategy designed to reduce exposure to risk by combining a variety of investments, such as stocks, bonds, and real estate, which are unlikely to all move in the same direction. The goal of diversification is to reduce the risk in a portfolio. Volatility is limited by the fact that not all asset classes or industries or individual companies move up and down in value at the same time or at the same rate. Diversification reduces both the upside and downside potential and allows for more consistent performance under a wide range of economic conditions.

Exchange-Traded Funds (ETFs) – A type of an investment company (either an open-end company or UIT) whose objective is to achieve the same return as a particular market index. ETFs differ from traditional open-end companies and UITs, because, pursuant to SEC exemptive orders, shares issued by ETFs trade on a secondary market and are only redeemable from the fund itself in very large blocks (blocks of 50,000 shares for example).

Fees – a list of all fees associated with different products we offer are listed below:

1. **12b-1 Fees** — Fees paid by the fund out of fund assets to cover the costs of marketing and selling fund shares and sometimes to cover the costs of providing shareholder services. "Distribution fees" include fees to compensate brokers and others who sell fund shares and to pay for advertising, the printing and mailing of prospectuses to new investors, and the printing and mailing of sales literature. "Shareholder Service Fees" are fees paid to persons to respond to investor inquiries and provide investors with information about their investments.
2. **Account Fee**— A fee that some funds separately impose on investors for the maintenance of their accounts. For example, accounts below a specified dollar amount may have to pay an account fee.
3. **Distribution Fees** — Fees paid out of fund assets to cover expenses for marketing and selling fund shares, including advertising costs, compensation for brokers and others who sell fund shares, and payments for printing and mailing prospectuses to new investors and sales literature prospective investors. Sometimes referred to as "12b-1 fees."

4. **Management Fee** — fee paid out of fund assets to the fund's investment adviser or its affiliates for managing the fund's portfolio, any other management fee payable to the fund's investment adviser or its affiliates, and any administrative fee payable to the investment adviser that are not included in the "Other Expenses" category. A fund's management fee appears as a category under "Annual Fund Operating Expenses" in the Fee Table.
5. **Operating Expenses** — the costs a fund incurs in connection with running the fund, including management fees, distribution (12b-1) fees, and other expenses.
6. **Purchase Fee** — a shareholder fee that some funds charge when investors purchase mutual fund shares. Not the same as (and may be in addition to) a front-end load.
7. **Redemption Fee** — a shareholder fee that some funds charge when investors redeem (or sell) mutual fund shares. Redemption fees (which must be paid to the fund) are not the same as (and may be in addition to) a back-end load (which is typically paid to a broker). The SEC generally limits redemption fees to 2%.
8. **Sales Charge (or "Load")** — the amount that investors pay when they purchase (front-end load) or redeem (back-end load) shares in a mutual fund, similar to a commission. The SEC's rules do not limit the size of sales load a fund may charge, but FINRA rules state that mutual fund sales loads cannot exceed 8.5% and must be even lower depending on other fees and charges assessed.
9. **Shareholder Service Fees** — fees paid to persons to respond to investor inquiries and provide investors with information about their investments. See also "12b-1 fees."

Investment Adviser — generally, a person or entity who receives compensation for giving individually tailored advice to a specific person on investing in stocks, bonds, or mutual funds. Some investment advisers also manage portfolios of securities, including mutual funds.

Investment Company — a company (corporation, business trust, partnership, or limited liability company) that issues securities and is primarily engaged in the business of investing in securities. The three basic types of investment companies are mutual funds, closed-end funds, and unit investment trusts (UITs).

Investment Goals — objective or target, usually driven by specific future financial needs. Some common goals for an individual are: saving for a comfortable retirement, saving to send children to college, managing finances to enable a home purchase, minimizing taxes, and maximizing return on investments given a certain risk tolerance, and estate or trust planning.

Investment Objectives — The financial goal or goals of an investor. An investor may wish to maximize current income, maximize capital gains, or set a middle course of current income with some appreciation of capital. Defining investment objectives helps to determine the investments an individual should select.

Margin — borrowing money (usually using securities you already own as collateral) that is used to purchase securities

Mutual Fund — the common name for an Open-End Investment Company (the legal name for a mutual fund and a type of investment company that continuously offers new shares for sale). Like other types of investment companies, mutual funds pool money from many investors and invest the money in stocks, bonds, short-term money-market instruments, or other securities. Mutual funds issue redeemable shares that investors purchase directly from the fund (or through a broker for the fund) instead of purchasing from investors on a secondary market.

NAV (Net Asset Value) — the value of the fund's assets minus its liabilities. SEC rules require funds to calculate the NAV at least once daily. To calculate the NAV per share, simply subtract the fund's liabilities from its assets and then divide the result by the number of shares outstanding.

No-load Fund — a fund that does not charge any type of sales load. Not every type of shareholder fee is a "sales load," and a no-load fund may charge fees that are not sales loads. No-load funds also charge operating expenses.

Option Contracts — Options are a type of derivative; derivatives are securities whose prices are derived from the price of an underlying asset or group of assets. The most common underlying assets are equities, debt, commodities and currencies; option contracts also exist for indices and interest rates. Options consist of a type (call or put), a strike price (the price at which the underlying asset is delivered), a premium (the price a buyer pays the seller for the option contract) and an expiration date. Options come in two types:

- **Calls:** Calls provide buyers, also known as holders, the right (but not the obligation) to purchase a specified amount of the underlying asset from the Seller. Calls obligate sellers, also known as writers, to sell a specified amount of the underlying asset to the buyer at the strike price.
- **Puts:** Puts provide buyers, also known as holders, the right (but not the obligation) to sell a specified amount of the underlying asset to Seller. Puts obligate sellers, also known as writers, to buy a specified amount of the underlying asset from the buyer at the strike price.

For each type of option, the buyer may exercise his or her right prior to or at expiration. For stock options, the amount covered by the option is usually 100 shares. If the stock option contract is exercised, the writer is responsible for fulfilling the terms of the contract by delivering the shares to the holder. In the case of a security that cannot be delivered such as an index, the contract is settled in cash. For the holder, the potential loss is limited to the price paid to acquire the option. When an option is not exercised, it expires. No shares change hands and the money spent to purchase the option is lost. For the buyer, the upside is unlimited. Option contracts, like stocks, are therefore said to have an asymmetrical payoff pattern. For the writer, the potential loss is unlimited for uncovered calls and limited to the strike price less the premium received for uncovered puts. For the option writer, gains are limited to the payment received for the options. Option writers can also write covered options, meaning that the writer already owns or has sold the security underlying the option. Option contracts are most frequently utilized to increase leverage or provide downside protection on an underlying asset. As leverage, options allow the holder to control equity in a limited capacity for a fraction of what the shares would cost. The difference can be invested elsewhere until the option is exercised. As protection, options can guard against price fluctuations in the near term because they provide the right

acquire the underlying stock at a fixed price for a limited time. Risk is limited to the option premium (except when writing options for a security that is not already owned). However, the costs of trading options (including both commissions and the bid/ask spread) are higher on a percentage basis than trading the underlying stock. Options are also a wasting asset, meaning that their value eventually declines to zero if not exercised. In addition, options are very complex and require a great deal of observation and maintenance. Some types of option strategies involving multiple option contracts have unknown risks because the price movements between the different option contracts are not well understood.

Portfolio — an individual's or entity's combined holdings of stocks, bonds, or other securities and assets.

Prospectus — describes the mutual fund to prospective investors. Every mutual fund has a prospectus. The prospectus contains information about the mutual fund's costs, investment objectives, risks, and performance. You can get a prospectus from the mutual fund company (through its website or by phone or mail). Your financial professional or broker can also provide you with a copy.

Risks — a list of all risks associated with the strategies, products and methodology we offer are listed below:

1. Alternative Investment Risk

Investing in alternative investments is speculative, not suitable for all clients, and intended for experienced and sophisticated investors who are willing to bear the high economic risks of the investment, which can include:

- Loss of all or a substantial portion of the investment due to leveraging, short-selling or other speculative investment practices
- Lack of liquidity in that there may be no secondary market for the fund and none expected to develop
- Volatility of returns
- Restrictions on transferring interests in the fund
- Absence of information regarding valuations and pricing
- Delays in tax reporting
- Less regulation and higher fees than mutual funds

2. Bond Fund Risk

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields of the risks associated with bond funds include:

- Call Risk - The possibility that falling interest rates will cause a bond issuer to redeem—or call—its high-yielding bond before the bond's maturity date.
- Credit Risk — the possibility that companies or other issuers whose bonds are owned by the fund may fail to pay their debts (including the debt owed to holders of their bonds). Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury bonds. By

contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

- Interest Rate Risk — the risk that the market value of the bonds will go down when interest rates go up. Because of this, you can lose money in any bond fund, including those that invest only in insured bonds or Treasury bonds.
- Prepayment Risk — the chance that a bond will be paid off early. For example, if interest rates fall, a bond issuer may decide to pay off (or "retire") its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

3. Fundamental Analysis Risk

Fundamental analysis, when used in isolation, has a number of risks:

- There are an infinite number of factors that can affect the earnings of a company, and its stock price, over time. These can include economic, political and social factors, in addition to the various company statistics.
- When using this method with mutual funds, the funds are composed of many companies and not all of them will be undervalued
- The data used may be at least six months out of date.
- It is difficult to give appropriate weightings to the factors.
- In the early 1970s and 1980s price/earnings multiples of 80 or 90 were considered acceptable by some for 'blue chip' stocks in the United States.
- In the 1980s in the United States some biotechnology stocks sold at '50 times sales'. The companies had no earnings and paid no dividend. The new yardstick to value these became 'products in the pipeline'. By the late 1980s most had lost three-quarters of their stock price.
- It assumes that the analyst is competent.
- A fundamental analyst assumes that other fundamental analysts will form the same view about the company and buy the stock, thus restoring its value and returning the trader or investor a capital gain. In practice, an undervalued company's stock price can stay at approximately the same level (or decline) for years.
- It ignores the influence of random events such as oil spills, product defects being exposed, and acts of God and so on.
- It assumes that there is no monopolistic power over markets.
- Even when fundamental analysis reveals an undervalued company, or a stock with high growth prospects, it does not tell us anything about the timing of the purchase of the stock. In other words, we may have discovered a grossly undervalued stock whose price has been falling for some time, and may well continue falling.

4. Insurance Product Risk

The rate of return on variable insurance products is not stable, but varies with the stock, bond and money market subaccounts that you choose as investment options. There is no guarantee that you will earn any return on your investment and there is a risk that you will lose money. Before you consider purchasing a variable product, make sure you fully understand all of its terms. Carefully read the prospectus. Some of the major risks include:

- **Liquidity and Early Withdrawal Risk** – There may be a surrender charges for withdrawals within a specified period, which can be as long as six to eight years. Any withdrawals before a client reaches the age of 59 ½ are generally subject to a 10 percent income tax penalty in addition to any gain being taxed as ordinary income.
- **Sales and Surrender Charges** – Asset-based sales charges or surrender charges. These charges normally decline and eventually are eliminated the longer you hold your shares. For example, a surrender charge could start at 7 percent in the first year and decline by 1 percent per year until it reaches zero.
- **Fees and Expenses** – There are a variety of fees and expenses which can reach 2% and more such as:
 - Mortality and expense risk charges
 - Administrative fees
 - Underlying fund expenses
 - Charges for any special features or riders
- **Bonus Credits** – Some products offer bonus credits that can add a specified percentage to the amount invested ranging from 1 percent to 5 percent for each premium payment. Bonus credits, however, are usually not free. In order to fund them, insurance companies typically impose high mortality and expense charges and lengthy surrender charge periods.
- **Guarantees** – Insurance companies provide a number of specific guarantees. For example, they may guarantee a death benefit or an annuity payout option that can provide income for life. These guarantees are only as good as the insurance company that gives them.
- **Market Risk** – The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- **Principal Risk** – The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

5. Mutual Funds Risk

Mutual funds can offer the advantages of diversification and professional management. But, as with other investment choices, investing in mutual funds involves risk and fees and taxes will diminish a fund's returns.

But mutual funds also have features that some clients might view as disadvantages, such as:

- Costs despite Negative Returns — Clients must pay sales charges, annual fees, and other expenses) regardless of how the fund performs. And, depending on the timing of their investment, clients may also have to pay taxes on any capital gains distribution they receive — even if the fund went on to perform poorly after they bought shares.
- Lack of Control — Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.
- Price Uncertainty — with an individual stock, you can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling your Advisor. You can also monitor how a stock's price changes from hour to hour. But with a mutual fund, the price you purchase or redeem shares for will typically depend on the fund's NAV, which the fund might not calculate until many hours after you've placed your order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

The following is a list of some general risks associated with investing in mutual funds.

- Country Risk - The possibility that political events (a war, national elections), financial problems (rising inflation, government default), or natural disasters (an earthquake, a poor harvest) will weaken a country's economy and cause investments in that country to decline.
- Currency Risk -The possibility that returns could be reduced for Americans investing in foreign securities because of a rise in the value of the U.S. dollar against foreign currencies. Also called exchange-rate risk.
- Income Risk - The possibility that a fixed-income fund's dividends will decline as a result of falling overall interest rates.
- Industry Risk - The possibility that a group of stocks in a single industry will decline in price due to developments in that industry.
- Inflation Risk - The possibility that increases in the cost of living will reduce or eliminate a fund's real inflation-adjusted returns.
- Manager Risk -The possibility that an actively managed mutual fund's investment adviser will fail to execute the fund's investment strategy effectively resulting in the failure of stated objectives.
- Market Risk -The possibility that stock fund or bond fund prices overall will decline over short or even extended periods. Stock and bond markets tend to move in cycles, with periods when prices rise and other periods when prices fall.
- Principal Risk -The possibility that an investment will go down in value, or "lose money," from the original or invested amount.

6. Overall Fund Risk

- Clients need to remember that past performance is no guarantee of future results. All funds carry some level of risk. You may lose some or all of the money you invest, including your

principal, because the securities held by a fund goes up and down in value. Dividend or interest payments may also fluctuate, or stop completely, as market conditions change.

- Before you invest, be sure to read a fund's prospectus and shareholder reports to learn about its investment strategy and the potential risks. Funds with higher rates of return may take risks that are beyond your comfort level and are inconsistent with your financial goals.

While past performance does not necessarily predict future returns, it can tell you how volatile (or stable) a fund has been over a period of time. Generally, the more volatile a fund, the higher the investment risk. If you'll need your money to meet a financial goal in the near-term, you probably can't afford the risk of investing in a fund with a volatile history because you will not have enough time to ride out any declines in the stock market.

7. Stock Fund Risk

Although a stock fund's value can rise and fall quickly over the short term, historically stocks have performed better over the long term than other types of investments — including corporate bonds, government bonds, and treasury securities.

Overall "market risk" poses the greatest potential danger for investors in stocks funds. Stock prices can fluctuate for a broad range of reasons, such as the overall strength of the economy or demand for particular products or services.

Not all stock funds are the same. For example:

- Growth funds focus on stocks that may not pay a regular dividend but have the potential for large capital gains.
- Income funds invest in stocks that pay regular dividends.
- Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Index, by investing in all — or perhaps a representative sample — of the companies included in an index.
- Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks.

8. Technical Analysis risk

- Technical analysis is derived from the study of market participant behavior and its efficacy is a matter of controversy.
- Methods vary greatly and can be highly subjective; different technical analysts can sometimes make contradictory predictions from the same data.
- Models and rules can incur sufficiently high transaction costs.

Risk Tolerance – the extent to which an investor is willing to accept more risk in exchange for the possibility of a higher return. An investor with a high risk tolerance is likely to invest in securities, such as stocks in startup companies, and is willing to accept the possibility that the value of his/her portfolio will decline, at least in the short-term. An investor with a low risk tolerance, on the other hand, tends to

invest predominantly in stable stocks and/or highly-graded bonds. One's risk tolerance is subjective and may vary according to age, needs, goals, and even personal dispositions

Third Party Money Manager — the professional management of various securities (shares, bonds and other securities) and assets (e.g., real estate), to meet specified investment goals for the benefit of the investors. The managers are not the actual advisers working with the investor. Investors may be institutions (insurance companies, pension funds, corporations, individuals etc.

Volatility – a measure for variation of price of a financial instrument over time. Historic volatility is derived from time series of past market prices. An implied volatility is derived from the market price of a market traded derivative (in particular an option).