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This Brochure provides information about the qualifications and business practices of ERS, Inc. ("ERS"). If you have any questions about the contents of this Brochure, please contact us at 312-827-2800. 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 ERS also is available on the SEC's website at www.adviserinfo.sec.gov.

February 25, 2012



Item 2 – Material Changes

This Item discusses only specific material changes that are made to this Brochure and provides clients with a summary of such changes.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Timothy S. Stearns, SVP, Chief Compliance & Ethics Officer, at 312-827-7950, or tim.stearns@investnet.com. Our Brochure is also available on our web site (www.investnet.com), also free of charge.

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Item 4 – Advisory Business

ERS is an investment management firm registered as an investment adviser with the SEC in 2013 that provides investment management and investment advisory services to retirement plan sponsors (“Plan Sponsors”) for use with the Plan Sponsors’ plans (each a “Plan”). As a newly formed investment adviser, ERS currently does not have any assets under management.

ERS is a wholly owned subsidiary of its parent company Envestnet, Inc. (NYSE:ENV), a publicly held company.

The Programs

Plan Sponsors, as the primary fiduciary for each Plan, engage ERS to provide services for the respective program (collectively, the “Programs”) as described below.

In performance of advisory services under the Programs, ERS is acting as a fiduciary of the Plan under both the Employee Retirement Income Security Act of 1974, as amended, (“ERISA”) and the Investment Advisers Act of 1940 (“Advisers Act”) and acts with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

Discretionary Fiduciary Services: 3(38) Program

ERS prepares a plan profile for Plan Sponsors to develop customized investment policy statements (each an “IPS”). The IPS sets forth a menu of investment options and asset class categories being offered to plan participants, creating well-diversified portfolio options for the participants.

ERS reviews the investment options available through the Plan and instructs the plan’s record keeper to add, remove and/or replace specific “core” investment options, meeting the IPS criteria. ERS monitors the core investment options, provides reports to the Plan Sponsor, and instructions to the plan’s record keeper to remove and/or replace investments no longer meeting the IPS criteria.

ERS acts as a fiduciary under ERISA, solely with respect to the provision of investment advice as that term is defined under ERISA and will serve as an “investment manager” as defined in Section 3(38) of ERISA. ERS retains final decision-making authority with respect to removing and/or replacing investments in the core lineup without further consultation with Plan Sponsor.

ERS does not provide any services related to the following types of assets: employer securities; real estate (except for real estate funds and publicly traded REITs); stock brokerage accounts or mutual fund windows; participant loans; non-publicly traded partnership interests; other non-publicly traded securities (other than collective trusts and similar vehicles); or other hard-to-value securities or assets.

Non-Discretionary Fiduciary Services: 3(21) Program

Like the 3(38) Program, ERS develops an IPS. The IPS sets forth a menu of investment options and asset class categories being offered to plan participants creating a well-diversified portfolio for the participant.

ERS will cross-reference plan investment option information with investment analytics criteria and the plans IPS to determine the appropriateness of plan investment options. ERS will provide a quarterly electronic communication to the Plan Sponsor that confirms the plan investment option review resulted in either (1) a recommendation to maintain the existing plan investment options, or (2) a recommendation to replace one or more of the plan investment options with an alternative investment.



ERS will act as a fiduciary under ERISA, solely with respect to the provision of investment advice as that term is defined under ERISA and will serve as an “investment adviser” as defined in §3(21) of ERISA. However, Plan Sponsor will retain final decision-making authority with respect to removing and/or replacing Plan investments, and ERS will not have any further responsibility to communicate instructions to any third-party, including the Plan’s record keeper, custodian, and/or third-party administrator.

Non-Fiduciary Services

ERS also provides either directly or through its affiliates, technology, operational and administrative support services.

Item 5 – Fees and Compensation

ERS’s fee is determined based upon the nature of the services being provided. The standard fee schedules for ERS’s 3(21) and 3(38) Programs are as follows, but lower fees may be separately negotiated:

FEE SCHEDULE

3(21) Program Non-Discretionary Service Provided	Annual Fee Paid Quarterly in Advance
Up to \$2,000,000	\$1500 flat fee (minimum annual fee)
Over \$2,000,000 - \$50,000,000	3.5 basis points on plan assets
Over \$50,000,000	Negotiated on a case-by-case basis

All fee calculations will be based upon the market value of the plan assets on the date of execution of the agreement and subsequent fees are based upon the market value of plan assets and are payable on a monthly or quarterly basis in advance. Asset based fees will be calculated concurrent with the frequency by which they are paid.

3(38) Program Discretionary Service Provided	Annual Fee Paid Quarterly in Advance
Investment Selection and Portfolio Management	10 bps on plan assets

All fee calculations will be based upon the market value of the plan assets on the date of execution of the agreement and subsequent fees are based upon the market value of plan assets and are payable on a monthly or quarterly basis in advance. Asset based fees will be calculated concurrent with the frequency by which they are paid.

Termination

The terms and conditions for each Program contain termination provisions. An agreement may be canceled by either party at any time, for any reason, upon receipt of 30 days prior written notice. ERS will make a prorated refund of any pre-paid monthly/quarterly program fee, based upon the number of days remaining in the month/quarter after the termination date. ERS does not charge a liquidation fee if securities are to be delivered in-kind, otherwise certain commissions and/or fees may be charged by the broker-dealer liquidating security positions.

Other Issues Relating to Fees

The cost of investment advisory services provided through the Programs may be more or less than the cost of purchasing similar services separately. The total asset amount in a Plan is the main factor impacting the relative cost of the program to a particular Plan.

The Program Fee does not cover certain charges associated with securities transactions, including: (i) dealer markups, markdowns or spreads charged on transactions in over-the-counter securities; (ii) costs relating to trading in certain foreign securities; (iii) the internal charges and fees that may be imposed by any Funds, (such as fund operating expenses, management fees, redemption fees, 12b-1 fees and other fees and expenses. Further information regarding charges and fees assessed by Funds may be found in the appropriate prospectus or offering document) or other regulatory fees; (iv) brokerage commissions or other charges imposed by broker-dealers or entities other than the custodian if and when trades are cleared by another broker-dealer; (v) the charge to carry tax lot information on transferred mutual funds or other investment vehicles, postage and handling charges, returned check charges, transfer taxes; stock exchange fees or other fees mandated by law, and (vi) any brokerage commissions or other charges, including contingent deferred sales charges ("CDSC"), imposed upon the liquidation of "in-kind assets" that are transferred into the Program. With respect to this latter type of charge, ERS may liquidate such assets transferred into a Program in its sole discretion. Clients should thus be aware that if they transfer in-kind assets into a Program, ERS may liquidate such assets immediately or at a future point in time and this may result in a brokerage commission or other charge, including a CDSC.

In addition to the redemption fees described above, a Plan may incur redemption fees, when the portfolio manager to an investment strategy determines that it is in the Plan's overall interest, in conjunction with the stated goals of the investment strategy, to divest from certain mutual funds prior to the expiration of the minimum holding period of the funds. Some mutual funds also assess redemption fees to investors upon the short-term sale of its funds. Depending on the particular mutual fund, this may include sales for rebalancing purposes. Please see the prospectus for the specific mutual fund for detailed information regarding such fees.

For smaller accounts, a minimum account fee may apply to the Program Fee or fees charged by the custodian. Minimum account fees are expressed in annual amounts, but are determined and assessed based on the account asset value at the beginning of each quarter. For example, if an account has a \$100 minimum annual account Program Fee, it will be assessed a minimum of \$25 every quarter. Therefore, if a client has large asset inflows or outflows during the year that cross the minimum asset value threshold, it is possible for an account to be assessed a minimum fee for a particular quarter even if at the end of the year a look back over the account's average balance for the entire year would have placed it above the minimum asset value threshold.

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

ERS does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

ERS provides investment management and investment advisory services to retirement plans.

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

ERS uses the following methods of analysis for its investment scoring criteria and investment recommendations:

Quantitative Analysis. ERS uses mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data. A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis. ERS subjectively evaluates non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data. A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Risk of Loss

Investing in securities involves risk of loss (including loss of principal) that each client should be prepared to bear. Typical investment risks include market risk typified by a drop in a security's price due to company specific events (such as an earnings disappointment or a downgrade in the rating of a bond) or general market activity (such as occurs in a "bear" market when stock values fall in general). Stock markets, especially foreign markets, are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Fixed-income strategies are subject to interest rate risk and the inherent credit risk related to the underlying credit worthiness of the various issuers and the volatility of the bond market.

Certain types of investment strategies have particular types of risk. Strategies that invest in international securities involve special additional risks, including currency risk, political risk, and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks. Strategies that invest in small capitalized companies involve risks, including relatively low trading volumes, a greater degree of change in earnings, and greater short-term volatility. Smaller companies typically have a higher risk of failure, and are not as well established as larger blue-chip companies. Growth strategies can perform differently from the market as a whole and from other types of stocks and can be more volatile than other types of stocks. High-yield bond strategies invest in lower-rated debt securities (commonly referred to as junk bonds) and involve additional risks because of the lower credit quality of the securities in the portfolio. Clients should be aware of the possible higher level of volatility and increased risk of default. Concentrated, non-diversified or sector strategies invest more of their assets in a few holdings involve additional risks, including share price fluctuations, because of the increased concentration of investments. The lack of industry diversification subjects the client to increased industry-specific risks. Finally, municipal investment strategies can be affected by adverse tax, legislative or political changes and the financial condition of the issuers of municipal securities.

Risks for all forms of analysis. ERS's securities analysis methods rely on the assumption that the companies whose securities purchased and sold, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While ERS



is alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

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 a client's evaluation of ERS or the integrity of ERS's management. ERS has no legal or disciplinary action that must be disclosed in response to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

ERS also provides other products and services to Plan Sponsors and other financial professionals in the role as a third-party service provider to assist them with administering their business needs.

Consulting Services and Software Tools

ERS provides a customizable asset management software program through a web-enabled platform ("Platform").

In addition, ERS may license the Platform to certain financial institutions. The Platform is typically customized and private labeled in the name of the applicable Institution.

Reporting Only Services

ERS offers reporting and data aggregation services. Plan Sponsors are able to examine their clients' holdings, allocation of assets and portfolio performance. Performance reporting is calculated according to industry standards and is applied to each account or combination of several related accounts for a household's or family's assets.

Back Office Processing/ Billing and Custodial Services

ERS is under common control with the following entities that are engaged in the securities or investment advisory business. Certain directors and members of executive management of ERS also serve as directors and/or executive management of these entities:

Investnet Asset Management, Inc. ("EAM"), Registered Investment Adviser
35 E. Wacker Drive, Suite 2400, Chicago, IL 60601
Firm CRD #111694

Oberon Financial Technology, Inc. ("Oberon") Registered Investment Adviser
150 Mathilda Place, Suite 306, Sunnyvale, CA 94086
Firm CRD #104547

Portfolio Brokerage Services, Inc. ("PBS"), Registered Broker/Dealer
1999 Broadway, 42nd Floor, Denver, Colorado 80202
Firm CRD #18554

Portfolio Management Consultants, Inc. ("PMC"), Registered Investment Adviser
1999 Broadway, 42nd Floor, Denver, Colorado 80202
Firm CRD #107747



Envestnet Portfolio Solutions, Inc. ("EPS"), Registered Investment Adviser
75 State Street, 6th Floor Boston, MA 02109
Firm CRD #109662

Portfolio Management Consultants, Inc. and PBS are wholly-owned subsidiaries of PMC International, Inc. ("PMCI") whose principal business address is 1999 Broadway, 42nd Floor, Denver, CO 80202.

EAM, EPS, ERS, Oberon and PMCI are wholly-owned subsidiaries of Envestnet, Inc., whose principal business address is 35 E. Wacker Drive, Suite 2400, Chicago, IL 60601.

EAM serves as the investment advisor to a mutual fund family: The PMC Funds, consisting of the PMC Core Fixed Income Fund and the PMC Diversified Equity Fund (information available at www.investpmc.com).

EAM also serves as the advisor to a series of Collective investment Trust portfolios:

- PMC Pathway Aggressive Growth Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Moderate Balanced Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Retirement Income Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2015 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2020 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2025 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2030 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2035 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2040 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2045 Fund (A Reliance Trust Company Collective Fund)
- PMC Pathway Target Date 2050 Fund (A Reliance Trust Company Collective Fund)

Item 11 – Code of Ethics

ERS employees or related persons may have accounts with investment managers that ERS recommends to clients as part of its investment programs. This means that ERS employees or related persons may buy or sell securities that clients also own in their accounts. Investment decisions for ERS personnel may not be made at the same time or in the same manner as those made for clients.

ERS or a related person of ERS may purchase or sell securities that are recommended to, or purchased, or sold for clients. Personal securities transactions by persons associated with ERS are subject to ERS's Code of Ethics. The Code of Ethics includes various reporting, disclosure and approval requirements, described in summary below. ERS designed these requirements to prevent or mitigate actual or potential conflicts of interest with clients. The Code of Ethics applies not only to transactions by the individual, but also to transactions for accounts in which such person or the person's spouse, minor children or other dependents residing in the same household have an interest. Compliance with the Code of Ethics is a condition of employment.

In accordance with Securities and Exchange Commission rules relating to recordkeeping by investment advisors, ERS requires prompt reports of all securities transactions identified in the Code of Ethics as "Reportable Securities" transactions. ERS further requires that all brokerage account relationships be disclosed, that ERS receive duplicate confirmations of transactions and custodial account statements, and annual certifications of compliance with the Code of Ethics from all access persons. Transactions in U.S. government securities, bankers acceptances, bank certificates of deposit, commercial paper, high quality short-term instruments, including repurchase agreements, index-based futures/options, options/futures on treasury notes and bills or currency options/futures, shares of open-end mutual funds and commodities are excluded from the reporting requirements.



The responsibilities of ERS's Chief Compliance & Ethics Officer (or designee) include overseeing the regular monitoring and verification of compliance of covered persons with the requirements of the Code of Ethics, and reporting material violations to ERS's senior management. Covered transactions of the Chief Compliance & Ethics Officer will be approved by another officer (or designee) of ERS. In addition to reporting and recordkeeping requirements, the Code of Ethics imposes various substantive and procedural restrictions on Reportable Securities transactions. The Chief Compliance & Ethics Officer may recommend to management the imposition of more severe sanctions, including suspension of personal investing privileges, or termination of employment, in the case of certain types of violations.

A copy of ERS's Code of Ethics can be obtained by contacting the following individual at ERS:

Timothy S. Stearns
SVP, Chief Compliance & Ethics Officer
Investnet Portfolio Solutions, Inc.
35 E. Wacker Drive, Suite 2400
Chicago, Illinois 60601
(312) 827-2800

Potential Conflict of Interest

ERS's CEO, Judson Bergman, is a Trustee for the RS Guardian Funds. The RS Guardian Funds resulted from the merger of The Guardian Life Insurance Company of America and RS Investments in May 2006. Investments in the RS Guardian Funds made through ERS may be viewed as an accommodation to Mr. Bergman.

Item 12 – Brokerage Practices

ERS's use of any particular broker/custodian is directed by the Plan Sponsor under ERSIA 3(16). ERS does not require the use of any particular broker/custodian.

ERS does not have any soft-dollar arrangements and does not receive any soft-dollar benefits.

Trade Allocations

For trade orders placed by ERS's, the custodial trade rotation is a process that provides objective preference to custodians by submitting trades for each custodian in sequence starting with a different custodian on each series of block trades. The starting custodian moves down one position on the list at the start of each new trading day.

ERS maintains a daily record of custodial order file transmissions which comprises each day's rotation list. Upon receipt of a new custodian block order, the order is submitted to the next custodian on the rotation list. A rotation queue checklist is maintained to document the daily rotation process.

Once orders are filled, ERS generates block allocations for the respective block trades. ERS then submits the allocation files to the respective custodians before 8:00PM EST for allocation to the respective clients.

Block Trading

Block trading is permitted where the following conditions are met and if ERS has determined, on an individual basis that the securities order is:

1. In the best interests of each account participating in the order.
2. Consistent with ERS's duty to obtain best execution.
3. Consistent with the terms of the investment advisory agreement of each participating account.

In addition, the following conditions must apply:

1. Any investment shall not be dependent or contingent upon the willingness or ability of another account to participate in such transaction.
2. The terms negotiated for the block transaction should apply equally to each participating account.
3. The allocation of securities purchased or sold in a block trade must be made in accordance with ERS's allocation procedures.
4. The books and records of ERS must reflect, for each bunched order, the securities held by, purchased and sold for each account.

Errors

Although ERS takes reasonable steps to avoid errors, occasionally errors do occur. ERS seeks to identify errors and works with the Plan Sponsor and/or clearing custodian to correct the error affecting any account as quickly as possible, in order to put the account in the position they would have been in had the error not occurred. All losses to an account resulting from an error will be reimbursed to the account immediately after corrections are made, while any market gains that result from the correction of such error will inure to the benefit of the account unless the error is identified prior to settlement and is moved to the error account of the custodian or ERS.

Item 13 – Review of Accounts

Please see Item 4 above for a description of the review of accounts for the Non-Discretionary Fiduciary Services: 3(21) Program and the Discretionary 3(38) Program.

Item 14 – Client Referrals and Other Compensation

It is ERS's policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

Item 15 – Custody

ERS does not have actual or constructive custody of client accounts.

Item 16 – Investment Discretion

As further described in Item 4 above, under ERS's 3(38) Program, Plan Sponsor's delegate full discretion over plan investments to ERS. In performing discretionary management services, ERS is acting as the Investment Manager (as that term is defined in Section 3(38) of ERISA) and as a fiduciary to the Plan and shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent man acting in a



capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims.

Item 17 – Voting Client Securities

As a matter of firm policy, ERS does not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to Plan investment assets, Plan Sponsors maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the investment assets. Plan Sponsors are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 – Financial Information

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about ERS's financial condition. ERS has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy proceeding.