

DISCLOSURE BROCHURE
PREPARED IN COMPLIANCE WITH
THE INVESTMENT ADVISERS ACT OF 1940 RULE 204-3(A)

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This brochure provides information about the qualifications and business practices of Silverhawk Asset Management, LLC. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at 480-296-0200. 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 Silverhawk Asset Management, LLC (CRD #167798) is available on the SEC's website at www.adviserinfo.sec.gov

MAY 31, 2013

Item 2: Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

Material Changes since the Last Update

Initial Filing

Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

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Item 4: Advisory Business

Firm Description

Silverhawk Asset Management, LLC, ("Silverhawk") was founded in 2010 and registered as an investment adviser representative in 2013. Paul J. Mershon is 100% owner.

Silverhawk provides personalized confidential financial planning and investment management primarily to individuals, trusts, estates, charitable organizations and corporations or business entities. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

Silverhawk does not act as a custodian of client assets. Silverhawk places trades for clients under a limited power of attorney or discretionary investment advisory agreement.

An evaluation of each client's initial situation is provided to the client, often in the form of a net worth statement, risk analysis or similar document. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, tax preparers, insurance agents, etc.) are engaged directly by the client on an as-needed basis and may charge fees of their own. For example, tax preparation and estate plan review or preparation will be billed to clients directly by the tax preparer and the estate planning document preparer or attorney.

Types of Advisory Services

ASSET MANAGEMENT

Advisory services encompass a wide range of investment objectives, from conservative to aggressive, giving the client and Silverhawk the flexibility to design a custom portfolio and asset allocation that meets the client's specific investment needs. Each client's portfolio is continuously managed based on the client's investment objective and we maintain continuous discretionary authority for your accounts. We can execute our investment recommendations in accordance with the Investment Policy Statement on your behalf, without the approval of each specific transaction, unless specifically restricted by you. We will choose which model is appropriate for you based upon the items discussed above. We offer several investment portfolios designed to meet various needs, but portfolios are not designed specifically for each client.

Silverhawk offers discretionary direct asset management services to advisory clients. Silverhawk will offer clients ongoing portfolio management services through determining individual investment goals, time horizons, objectives, and risk tolerance. Investment strategies, investment selection, asset allocation, portfolio monitoring, tax

efficient strategies and others. The overall investment program will be based on the above factors. The client will authorize Silverhawk discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

Silverhawk recognizes that as individuals, our clients have unique goals and interest. As such, we tailor our advisory services to the individual needs of our clients. We begin by offering a comprehensive financial plan that helps us to create a picture of the client's financial condition as well as learn about the client's personal financial goals. The plan also acts as a tool, which helps the client clarify their investment and life objectives. Out of this plan and together with the client, an investment strategy and asset allocation decisions are agreed upon.

SUB-ADVISOR ARRANGEMENTS

Silverhawk may, from time to time, enter into sub-advisor agreements with other Registered Investment Advisors to manage client assets. The sub-advisor shall supervise and invest the assets in each client account in accordance with the investment strategy set forth by the client and Silverhawk. At no time will the sub-advisor have control over client accounts. Silverhawk shall furnish authorization to custodian in order that sub-advisor(s) may direct the custodian to invest and reinvest or sell assets in the account. Silverhawk will have the discretion to hire and fire sub-advisors at their discretion. This is detailed in Item 10 of this brochure.

ERISA PLAN SERVICES 3(21) ADVISOR

Silverhawk offers the following services to the Plan and the Plan participants:

1. Fiduciary Services:
 - a. Provide non-discretionary investment advice to the Client about asset classes and investment alternatives available for the Plan in accordance with the Plan's investment policies and objectives. Client will make the final decision regarding the initial selection, retention, removal and addition of investment options.
 - b. Assist the Client with the selection of a broad range of investment options consistent with ERISA Section 404(c) and the regulations thereunder.
 - c. Assist the Client in the development of an investment policy statement ("IPS"). The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the IPS.
 - d. Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and make recommendations to maintain, remove or replace investment options.

- e. Meet with Client on a periodic basis to discuss the reports and the investment recommendations.
- f. Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a qualified default investment alternative for participants who are automatically enrolled in the Plan or who have otherwise failed to make investment elections. The Client retains the sole responsibility to provide all notices to the Plan participants required under ERISA Section 404(c) (5).

2. Non-fiduciary Services:

- a. Assist in the education of Plan participants about general investment information and the investment alternatives available to them under the Plan. Client understands Silverhawk's assistance in education of the Plan participants shall be consistent with and within the scope of the Department of Labor's definition of investment education (Department of Labor Interpretive Bulletin 96-1). As such, Silverhawk is not providing fiduciary advice as defined by ERISA to the Plan participants. Silverhawk will not provide investment advice concerning the prudence of any investment option or combination of investment options for a particular participant or beneficiary under the Plan.
- b. Assist in the group enrollment meetings designed to increase retirement plan participation among the employees and investment and financial understanding by the employees.

Silverhawk may provide these services or, alternatively, may arrange for the Plan's other providers to offer these services, as agreed upon between Silverhawk and Client.

3. Silverhawk has no responsibility to provide services related to the following types of assets ("Excluded Assets"):
- a. Employer securities;
 - b. Real estate (except for real estate funds or publicly traded REITs);
 - c. Stock brokerage accounts or mutual fund windows;
 - d. Participant loans;
 - e. Non-publicly traded partnership interests;
 - f. Other non-publicly traded securities or property (other than collective trusts and similar vehicles); or
 - g. Other hard-to-value or illiquid securities or property.

Excluded Assets will **not** be included in calculation of Fees paid to the Adviser under this Agreement.

THIRD PARTY MONEY MANAGERS

In some client relationships, Silverhawk selects the services of Third Party Money Managers ("TPM") to manage client accounts. Silverhawk acts as the liaison between the client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. Silverhawk helps the client complete the necessary paperwork of the TPM, provides ongoing services to the client to provide the TPM with any changes in client status as provided to Silverhawk by the client and review the quarterly statements provided by the TPM. Silverhawk will deliver the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM. This is detailed in Item 10 of this brochure.

FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable, the client will compensate Silverhawk on an hourly fee basis or fixed fee basis described in detail under "Fees and Compensation" section of this brochure. Services include but are not limited to a thorough review of all applicable financial topics including: business planning, personal and corporate financial planning, budgeting, cash flow projections, retirement planning, tax planning, estate planning, asset protection planning, investment planning, asset allocation modeling, insurance review and recommendations pension plan consulting, investment account aggregation advice and others. If a conflict of interest exists between the interests of Silverhawk and the interests of the client, the client is under no obligation to act upon Silverhawk's recommendation. If the client elects to act on any of the recommendations, the client is under no obligation to effect the transaction through Silverhawk. Financial plans will typically be completed and delivered inside of thirty (30) days, but could take longer depending on complexity, cooperation of client and completeness of initial information provide to Silverhawk by the client.

Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written client consent.

Wrap Fee Programs

Silverhawk does not sponsor any wrap fee programs.

Client Assets under Management

Silverhawk currently has no assets under management.

Item 5: Fees and Compensation

Method of Compensation and Fee Schedule

ASSET MANAGEMENT

Silverhawk offers discretionary asset management services to advisory clients. The fees for these services will be based on a percentage of Assets Under Management as follows:

Assets under Management	Maximum Annual Fee	Maximum Quarterly Fee
\$0 - \$2,500,000	2.50%	0.615%
\$2,500,001 - \$5,000,000	2.00%	0.500%
Above \$5,000,001	1.70%	0.425%

Advisory fees are tailored to the individual needs of clients. Some clients will pay different fees based upon their contract fee schedules. Silverhawk will not treat higher paying clients more favorably. Fees schedules will vary for clients based on the length of their relationship with Silverhawk. Fee schedules may be reduced the longer a client maintains a relationship with Silverhawk.

Our firm's fees are quoted on an annualized basis, charged and paid quarterly in arrears and are based on the value of your account on the last day of the previous quarter. Fees will be automatically deducted from your account by the custodian. As part of this process, you should understand the following:

As advisory fees are deducted from the account by the custodian,:

- Your independent custodian will send statements at least quarterly to you showing all disbursements from your account, including the amount of the Advisory fees paid to us;
- You provide authorization permitting us to be directly paid by these terms; and
- If we send a copy of our invoice directly to you, we will also send a copy of our invoice to the independent custodian at the same time we send the invoice to you.

Lower fees for comparable services may be available from other sources. Clients may terminate their account within five (5) business days of signing the Investment Advisory Agreement with no obligation. For cancellation after five (5) business days, Silverhawk will be entitled to a pro rata fee for the days service was provided in the final quarter. Client shall be given thirty (30) days prior written notice of any increase in fees, and client will acknowledge, in writing, any agreement of increase in said fees.

SUB-ADVISOR ARRANGEMENTS

Silverhawk will compensate sub-advisors directly. The client will not pay any additional fees for accounts managed by sub-advisors; the client will be charged according to the fee schedule above under Assets Under Management.

ERISA PLAN SERVICES

The annual fees are based on a range between .30% and 1% of the market value of the Included Assets. Fees are charged quarterly and in arrears. The fee will be based on the market value of the Plan assets on the last business day of the previous fee period (without adjustments for anticipated withdrawals by Plan participants or other anticipated or scheduled transfers or distribution of assets) and will be due the following business day. If this Agreement is terminated prior to the end of the fee period, Silverhawk shall be entitled

to a prorated fee based on the number of days during the final quarter services were provided. The advisory fees will be deducted from the account by the custodian.

- Your independent custodian will send statements at least quarterly to you showing all disbursements from your account, including the amount of the Advisory fees paid to us;
- You provide authorization permitting us to be directly paid by these terms; and
- If we send a copy of our invoice directly to you, we will also send a copy of our invoice to the independent custodian at the same time we send the invoice to you.

The compensation of Silverhawk for the services is described in detail in Schedule A of the Erisa Plan Agreement. The Plan is obligated to pay the fees, however the Plan Sponsor may elect to pay the fees.

THIRD PARTY MONEY MANAGERS

Silverhawk will be paid a portion of the advisory fee paid for asset management on assets managed by third party money managers. This is detailed in Item 10 of this brochure.

FINANCIAL PLANNING and CONSULTING

Financial Planning Services are available to all clients on a negotiable fee. Hourly rates are \$300 per hour, while fixed fees may range from \$500 - \$10,000, depending on the complexity of the plan and other factors related to the client's situation. Prior to the planning process the client is provided an estimated plan fee. Financial plans will require a deposit amount with the balance due upon plan delivery. Client may cancel within five (5) business days for a full refund. After the five (5) business days, any prepaid, unearned fees will be refunded to the client on a pro rata basis or any unpaid, earned fees will be due Silverhawk on a pro rata basis; whichever is applicable.

Additional Client Fees Charged

In addition to the fees paid to Silverhawk, clients will incur transaction charges for trades executed in their accounts by the custodian. Silverhawk does not receive any portion or participate in any way with these transactions costs. The custodial and transaction fees are subject to change at any time. The exact amount and frequency of these fees will vary. These fees are separate from our fees and will be disclosed by the firm that executes the trades. Also, clients will pay the following separately incurred expenses, of which we do not receive any part: charges imposed directly by a mutual fund, index fund, or exchange traded fund which are disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

For more details on the brokerage practices, see Item 12 of this brochure.

Prepayment of Client Fees

Silverhawk does not bill in advance. Some third party money managers may and the fee arrangement will be disclosed in the Form ADV Part 2 of the manager.

External Compensation for the Sale of Securities to Clients

Silverhawk does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of Silverhawk. However, it is possible that Investment Advisor Representatives of Silverhawk are also registered representatives of Ausdal Financial Partners, LLC, an unaffiliated registered Broker-Dealer. In this capacity, these registered representatives may be compensated for the sale of securities.

Item 6: Performance-Based Fees and Side-by-Side Management

Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed securities.

Silverhawk does not use a performance-based fee structure because of the conflict of interest. Performance-based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client.

Item 7: Types of Clients

Description

Silverhawk provides investment advice to:

- Individuals
- High net worth individuals
- Pensions and profit sharing plans
- Trusts
- Estates
- Charitable organizations
- Corporations or business entities

Client relationships vary in scope and length of service. Some clients may require and/or receive more services than others, and not all clients will require/receive the same amount of time from the Silverhawk.

Account Minimums

Silverhawk requires a minimum of \$250,000 to open an account. Silverhawk may, at its discretion, waive or reduce the minimum account size.

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

Methods of Analysis

Security analysis methods may include fundamental analysis, technical analysis, Modern Portfolio Theory (MPT), cyclical analysis, and other academically and industry identified

methods. Investing in securities involves risk of loss that clients should be prepared to bear.

Fundamental analysis involves evaluating a stock using real data such as company revenues, earnings, return on equity, and profits margins to determine underlying value and potential growth. Technical analysis involves evaluating securities based on past prices and volume. Cyclical analysis involves analyzing the cycles of the market. MPT states that assets should be selected on the basis of how they interact with one another, rather than how they perform in isolation.

Silverhawk considers a broad array of investment strategies, and seeks to employ several methods to analyze investments for potential inclusion in client portfolios. Investment manager due diligence is comprised of both qualitative and quantitative factors, and to the extent practicable based upon readily available news and research. Silverhawk considers several factors which may include some, but are not limited to the all of the following: the integrity of the manager, the portfolio's diversification and relevant market correlations, a manager's experience and capabilities, the investment strategy and process, industry experience, reference checks, portfolio analytics, compensation and fee structure, operational issues, compliance and custody arrangements.

The main sources of information include financial newspapers and magazines, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategy

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement, Risk Tolerance or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

Security Specific Material Risks

All investment programs have certain risks that are borne by the investor. Fundamental analysis may involve interest rate risk, market risk, business risk, and financial risk. Risks involved in technical analysis are inflation risk, reinvestment risk, and market risk. Cyclical analysis involves inflation risk, market risk, and currency risk.

Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying

circumstances. For example, political, economic and social conditions may trigger market events.

- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9: Disciplinary Information

Criminal or Civil Actions

The firm and its management have not been involved in any criminal or civil action.

Administrative Enforcement Proceedings

The firm and its management have not been involved in administrative enforcement proceedings.

Self-Regulatory Organization Enforcement Proceedings

The firm and its management have not been involved in legal or disciplinary events that are material to a client's or prospective client's evaluation of Silverhawk or the integrity of its management.

Item 10: Other Financial Industry Activities and Affiliations

Broker-Dealer or Representative Registration

Silverhawk is not a broker-dealer; however, Investment Advisor Representatives of Silverhawk are also registered representatives of Ausdal Financial Partners, LLC, an unaffiliated registered Broker-Dealer.

Futures or Commodity Registration

Neither Silverhawk nor its employees are registered or has an application pending to register as a futures commission merchant, commodity pool operator, or a commodity-trading advisor.

Material Relationships Maintained by this Advisory Business and Conflicts of Interest

Managing Member, Paul Mershon, has a financial industry affiliated business as a registered representative of Ausdal Financial Partners, LLC, an unaffiliated registered Broker-Dealer, a member and investment advisor representative of Pioneer Advisors, LLC, an SEC registered investment advisor and a licensed insurance agent. More than 50% of Mr. Mershon's time is spent in these business practices. From time to time, he will offer clients advice or products from these activities. Mr. Mershon receives fees for services and commissions for the insurance and securities products he sells.

These practices represent conflicts of interest because it gives Paul Mershon an incentive to recommend products and services based on the commission or fees received. This conflict is mitigated by the fact that Mr. Mershon has a fiduciary responsibility to place the best interest of the client first and the clients are not required to purchase any products. Clients have the option to purchase these products through another broker dealer, investment advisor or insurance agent of their choosing.

Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

SUB-ADVISOR ARRANGEMENTS

Silverhawk may, from time to time, enter into sub-advisor agreements with other Registered Investment Advisors to manage client assets. The sub-advisor shall supervise and invest the assets in each client account in accordance with the investment strategy set forth by the client and Silverhawk. At no time will the sub-advisor have control over client accounts. Silverhawk shall furnish authorization to custodian in order that sub-advisor(s) may direct the custodian to invest and reinvest or sell assets in the account. Silverhawk will have the discretion to hire and fire sub-advisors at their discretion.

Client will not pay additional fees when Silverhawk hires a sub-advisor. The fees for these services will be the same as the fee schedule set forth in Item 5 under Assets Under Management. Silverhawk will pay the sub-advisor fees from the fees they collect from the client.

THIRD PARTY MONEY MANAGERS

Silverhawk solicits the services of Third Party Money Managers to manage client accounts. In such circumstances, Silverhawk receives a portion of the asset management fee. These fees range from .50% to 1.5% annually. Silverhawk acts as the liaison between the client and the TPM in return for an ongoing portion of the advisory fees charged by the TPM. Silverhawk is responsible for:

- helping the client complete the necessary paperwork of the TPM;
- providing ongoing services to the client;
- updating the TPM with any changes in client status which is provide to Silverhawk by the client;
- reviewing the quarterly statements provided by the TPM; and
- delivering the Form ADV Part 2, Privacy Notice and Solicitors Disclosure Statement of the TPM to the client.

Clients placed with TPMs will be billed in accordance with the TPM's Fee Schedule which will be disclosed to the client prior to signing an agreement. When referring clients to a third party money manager, the client's best interest will be the main determining factor of Silverhawk.

These practices represent conflicts of interest because Silverhawk is paid a Solicitor Fee for recommending the Third Party Money Managers and may chose to recommend a particular TPM based on the fee Silverhawk is to receive. This conflict is mitigated by the fact that Silverhawk and its IARs have a fiduciary responsibility to act in the best interest of his clients. Clients are not required to accept any recommendation of third party money managers given by Silverhawk and have the option to receive investment advice through other money managers of their choosing.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics Description

The employees of Silverhawk have committed to a Code of Ethics ("Code"). The purpose of our Code is to set forth standards of conduct expected of Silverhawk employees and addresses conflicts that may arise. The Code defines acceptable behavior for employees of Silverhawk. The Code reflects Silverhawk and its supervised persons' responsibility to act in the best interest of their client.

One area which the Code addresses is when employees buy or sell securities for their personal accounts and how to mitigate any conflict of interest with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

Silverhawk's policy prohibits any person from acting upon or otherwise misusing non-public or inside information. No advisory representative or other employee, officer or

director of Silverhawk may recommend any transaction in a security or its derivative to advisory clients or engage in personal securities transactions for a security or its derivatives if the advisory representative possesses material, non-public information regarding the security.

Silverhawk's Code is based on the guiding principle that the interests of the client are our top priority. Silverhawk's officers, directors, advisors, and other employees have a fiduciary duty to our clients and must diligently perform that duty to maintain the complete trust and confidence of our clients. When a conflict arises, it is our obligation to put the client's interests over the interests of either employees or the company.

The Code also applies to "access" persons. "Access" persons are employees who have access to non-public information regarding any clients' purchase or sale of securities, or non-public information regarding the portfolio holdings of any reportable fund, who are involved in making securities recommendations to clients, or who have access to such recommendations that are non-public.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Silverhawk and its employees do not recommend to clients securities in which we have a material financial interest.

Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Silverhawk and its employees may buy or sell securities that are also held by clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Silverhawk with copies of their brokerage statements.

Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Silverhawk does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist. However, employees may buy or sell securities at the same time they buy or sell securities for clients. In order to mitigate conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Silverhawk with copies of their brokerage statements.

The Chief Compliance Officer of Silverhawk is Paul Mershon. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment over employee transactions.

Item 12: Brokerage Practices

Factors Used to Select Broker-Dealers for Client Transactions

Silverhawk will use its discretion in recommending the broker-dealer and therefore the commission charged. In selecting or recommending the broker-dealer, Silverhawk will comply with its fiduciary duty to obtain best execution. Silverhawk will take into account such relevant factors as:

- Price
- The broker-dealers facilities, reliability, and financial responsibility
- The ability of the broker-dealer to effect transactions, particularly with regards to such aspects as timing, order size and execution of order
- The research and related brokerage services provided by such broker-dealer to Silverhawk, notwithstanding that the account may not be direct or exclusive beneficiary of such services
- Any other factors Silverhawk considers to be relevant

Silverhawk does not use brokerage commissions, mark-ups or mark-downs to obtain research or other products and services from our Custodians. We receive no client referrals from the broker-dealer/custodian that would create a conflict when recommending custodians to clients. Silverhawk has no incentive to select or recommend a particular broker-dealer other than receiving acceptable execution for our clients.

Silverhawk does not use Directed Brokerage arrangements with broker-dealers.

Aggregating Securities Transactions for Client Accounts

Silverhawk is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and transactions in the same securities for other clients of Silverhawk. All clients participating in the aggregated order shall receive an average share price with all other transaction costs shared on a pro-rated basis.

Item 13: Review of Accounts

Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Paul Mershon, Chief Compliance Officer reviews the accounts at least quarterly. Account reviews are performed more frequently when market conditions dictate. Financial Plans are considered complete when recommendations are delivered to the client and a review is done only upon request of client.

Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of clients accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

Review meetings may take place in person, using web-based services, or over the phone. While these meetings are important whenever a client's circumstances or needs change, Silverhawk encourages clients to make time for review meetings even when the client believes there is no compelling reason to.

Content of Client Provided Reports and Frequency

Clients receive account statements no less than quarterly. Client may receive additional reports from the TPM as disclosed in the Form ADV Part 2 of the TPM. Client receives confirmations of each transaction in account and an additional statement during any month in which a transaction occurs.

Under financial planning services, the client will receive a one-time written financial plan.

Item 14: Client Referrals and Other Compensation

Economic Benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

Silverhawk receives a portion of the annual management fees collected by the Third Party Money Managers to whom Silverhawk refers clients.

This situation creates a conflict of interest because Silverhawk and/or its Investment Advisor Representative have an incentive to decide what Third Party Money Managers to use because of the higher solicitor fees to be received by Silverhawk. However, when referring clients to a third party money manager, the client's best interest will be the main determining factor of Silverhawk.

Advisory Firm Payments for Client Referrals

Silverhawk may enter into "Solicitor/Finder" relationships. These individual solicitors offer our services to the public. Silverhawk pays a referral fee to the solicitor or finder based on its advisory fee and written agreement. Solicitors/finders will also be appropriately registered under federal and state securities laws where applicable. Client receives all related agreements and disclosures prior to or at the time of entering into an Investment Advisory Agreement.

Item 15: Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report statements prepared by Silverhawk.

Silverhawk is deemed to have constructive custody solely because advisory fees are directly deducted from client's account by the custodian on behalf of Silverhawk.

Item 16: Investment Discretion

Discretionary Authority for Trading

Silverhawk accepts discretionary authority to manage securities accounts on behalf of clients. Silverhawk has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. By signing a discretionary investment advisory agreement with our firm and/or a limited power of attorney, the client will authorize Silverhawk discretionary authority to execute selected investment program transactions as stated within the Investment Advisory Agreement.

Item 17: Voting Client Securities

Proxy Votes

Silverhawk does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Silverhawk will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

Item 18: Financial Information

Balance Sheet

A balance sheet is not required to be provided because Silverhawk does not serve as a custodian for client funds or securities and Silverhawk does not require prepayment of fees of more than \$1200 per client and six months or more in advance.

Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Silverhawk has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

Bankruptcy Petitions during the Past Ten Years

Neither Silverhawk nor its management has had any bankruptcy petitions in the last ten years.

SUPERVISED PERSON BROCHURE
FORM ADV PART 2B

Paul J. Mershon, CFP®, ChFC®

Silverhawk Asset Management, LLC

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This brochure supplement provides information about Paul Mershon and supplements the Silverhawk Asset Management, LLC's brochure. You should have received a copy of that brochure. Please contact Paul Mershon if you did not receive the brochure or if you have any questions about the contents of this supplement.

Additional information about Paul Mershon (CRD #709764) is available on the SEC's website at www.adviserinfo.sec.gov.

MAY 31, 2013

Brochure Supplement (Part 2B of Form ADV)

Supervised Person Brochure

Paul Mershon

- Year of birth: 1955
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Item 2 Educational Background and Business Experience

Educational Background:

- University of Minnesota, Carlson School of Business, BSB 1978
 - Business Experience:
 - Silverhawk Asset Management, LLC; Managing Member/Investment Adviser Representative; 05/2013 to Present
 - Silverhawk Financial Planning, LLC; Managing Member/Insurance Agent; 09/2005 to Present
 - Ausdal Financial Partners, LLC; Registered Representative; 02/2011 to Present
 - Pioneer Advisors, LLC; Member/Investment Advisor Representative; Principal, 10/2010 to Present
 - QA3 Financial, LLC; Investment Advisor Representative; 02/2006 to 02/2011
 - Marathon Advisors, LLC; Investment Advisor Representative; 02/1985 to 02/2006
 - QA3 Financial Corporation; Registered Representative; 02/2006 to 02/2011
 - Securian Financial Services, Inc.; Registered Representative; 10/1990 to 02/2006
-

Professional Certifications

Employees have earned certifications and credentials that are required to be explained in further detail.

Certified Financial Planner (CFP®): Certified Financial Planner is a designation granted by the CFP® Board. CFP® requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP® Board (www.cfp.net).
- Successful completion of the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.

- When you achieve your CFP® designation, you must renew your certification every year, pay a certification fee and complete 30 hours of continuing education.

Chartered Financial Consultant® (ChFC®): Chartered Financial Consultant (ChFC®) is a designation issued by the American College. ChFC® designation requirements:

- Complete ChFC® coursework within five years from the date of initial enrollment.
- Pass the exams for all required elective courses. A minimum score of 70% must be achieved to pass.
- Meet the experience requirements: Three years of full-time business experience within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience.
- Take the Professional Ethics Pledge.
- When you achieve your CHFC® designation, you must earn 30 hours of continuing education credit every two years.

Chartered Life Underwriter (CLU®): Chartered Life Underwriter is a designation granted by the American College. CLU® designation requirements:

- Successfully complete CLU® coursework: five required and three elective courses.
- Meet the experience requirements: Three years of business experience immediately preceding the date of the use of the designation are required. An undergraduate or graduate degree from an accredited education institution qualifies as one year of business experience.
- Take the Professional Ethics Pledge.
- When you achieve the CLU® designation, you must complete 30 hours of continuing education credit every two years.

Registered Health Underwriter® (RHU®): Registered Health Underwriter is a designation granted by the American College. RHU® designation requirements:

- Successfully complete RHU® coursework in selected program;
- Meet the experience requirements: Three years of business experience within the five years immediately preceding the date of the use of the designation are required. An undergraduate or graduate degree from an accredited education institution qualifies as one year of business experience.

- Take the Professional Ethics Pledge.
- When you achieve the CLU[®] designation, you are subject to the PACE Recertification Program, either earning 30 hours of Continuing Education ("CE") credit every two years if you fall into one of the following categories:
 - Licensed insurance agent/broker/consultant
 - Licensed security representative/registered/investment advisor
 - Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public
- If an RHU[®] subject to PACE but do not fall into one of the above categories, you are exempt from the CE requirements. You will be required to notify The College of the exempt status every reporting period, as long as the exemption applies.

Item 3 Disciplinary Information

There is no disciplinary information to report.

Item 4 Other Business Activities

Managing Member, Paul Mershon, has a financial industry affiliated business as a registered representative of Ausdal Financial Partners, LLC, an unaffiliated registered Broker-Dealer, a member and investment advisor representative of Pioneer Advisors, LLC, an SEC registered investment advisor and a licensed insurance agent. More than 50% of Mr. Mershon's time is spent in these business practices. From time to time, he will offer clients advice or products from these activities. Mr. Mershon receives fees for services and commissions for the insurance and securities products he sells.

These practices represent conflicts of interest because it gives Paul Mershon an incentive to recommend products and services based on the commission or fees received. This conflict is mitigated by the fact that Mr. Mershon has a fiduciary responsibility to place the best interest of the client first and the clients are not required to purchase any products. Clients have the option to purchase these products through another broker dealer, investment advisor or insurance agent of their choosing.

Item 5 Additional Compensation

Paul Mershon receives additional compensation in his capacity as a registered representative, investment advisor representative of another investment advisor and insurance agent, but he does not receive any performance based fees.

Item 6 Supervision

Paul Mershon is the sole owner of Silverhawk Asset Management, LLC and therefore he is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients. Mr. Mershon will adhere to the policies and procedures as described in the firm's compliance manual.