

**Item 1: Cover Page for Part 2A of Form
ADV: Firm Brochure
August 2013**

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This brochure provides information about the qualifications and business practices of Nexus Wealth Advisors, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at (831) 278-2111 or compliance@nexuswealthadvisors.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.

Additional information about Nexus Wealth Advisors, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of Nexus Wealth Advisors, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure

Nexus Wealth Advisors, LLC is required to advise you of any material changes to our Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

We are not required to provide this information to a client or prospective client who has not received a previous version of our brochure. At this time, there are no material changes to report about our Brochure.

Item 3: Table of Contents

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Item 4: Advisory Business

A. Description of our advisory firm, including how long we have been in business and our principal owner.

We are dedicated to providing a wide array of investment advisory services. Our firm is a limited liability company formed in the State of California. Our firm has been in business as an investment adviser since 2013 and is wholly owned by Lance Wexler.

B. Description of the Types of Advisory Services We Offer.

(i) Asset Management:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally recommend a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives.

We may utilize Independent Money Managers, where we design an investment strategy on a fee-only basis for a percentage of assets in conjunction with another investment advisory firm that provides portfolio models. Before selecting other advisers, we make sure that the other advisers are properly licensed or registered.

(ii) Financial Planning & Consulting:

We provide a variety of financial planning and consulting services to individuals, families and other clients regarding the management of their financial resources based upon an analysis of the client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: Investment Planning, Retirement Planning, Estate Planning, Charitable Planning, Education Planning, Corporate and Personal Tax Planning, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we may refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we may not

provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

In performing our services, we rely upon the information received from the client or from the client's other professional advisors, and we are not required to independently verify such information. Clients must promptly notify us of any change in their financial situation or investment objectives that would necessitate a review or revision by our advisors of the client's portfolio and/or financial plan.

(iii) Pension Consulting:

We provide pension consulting services to employer plan sponsors on an ongoing basis. Generally, such pension consulting services consist of assisting employer plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All pension consulting services shall be in compliance with the applicable state law(s) regulating pension consulting services. This applies to client accounts that are pension or other employee benefit plans ("Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the client accounts are part of a Plan, and we accept appointments to provide our services to such accounts, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of the Pension Consulting Agreement).

(iv) Referrals to Third Party Money Managers:

We may provide clients with recommendations for investment advisory services provided by third party professional portfolio management firms for the individual management of client accounts. As part of this process, we provide initial due diligence on third party money managers and ongoing reviews of their management of your account.

In order to assist clients in the selection of a third party money manager, we typically gather information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that we do not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

We periodically review third party money managers' reports provided to the client, but no less often than on an annual basis. Our associates contact the clients from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The

client may also directly contact the third party money manager managing the account or sponsoring the program.

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of clients, whether clients may impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

The investment management services we provide are based on each client's financial circumstances and investment objectives. Our advisors meet with each client to discuss the client's current financial condition and to review the client's current investment holdings. Based upon each client's circumstances, we determine an appropriate asset allocation for the client's investment portfolio, in accordance with the client's specific financial objectives and risk tolerance and in consideration of other factors, including the client's time horizon (education funding, home purchase, retirement, legacy planning), liquidity needs, and other available resources (including external retirement plans, projected social security, outside investments, real estate and insurance).

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. In the rare instance that we would allow restrictions, it would be limited to our Asset Management service.

D. Participation in Wrap Fee Programs.

We do not offer wrap fee programs.

E. Disclosure of the amount of client assets we manage on a discretionary basis and the amount of client assets we manage on a non-discretionary basis as of August 2013.

We manage \$0 on a discretionary basis and \$0 on a non-discretionary basis.

Item 5: Fees & Compensation

A. Description of how we are compensated for our advisory services provided to you. The following fee schedules are negotiable in certain circumstances.

(i) Asset Management:

<u>Assets Under Management</u>	<u>Annual Percentage of Assets Charge</u>
\$0 to \$249,999.99	1.50%
\$250,000 to \$999,999.99	1.25%
\$1,000,000 to \$2,999,999.99	1.00%
\$3,000,000 to \$499,999.99	0.75%
Over \$5,000,000	0.50%

Our firm's fees are billed on a pro-rata annualized basis monthly in arrears based on the value of a client's account on the last day of the previous month. For new accounts, we charge a fee based on the value of assets placed in the account, prorated to the portion of the calendar month during which the assets were under management by us.

Our investment management fee is determined in accordance with the above standard fee structure, with exceptions negotiated on a case-by-case basis at our discretion. Services provided for the above fees are for investment advice and quarterly reporting of asset holdings, valuations and performance reviews.

Our clients typically authorize the custodian of their account(s) to debit their account for the amount of our investment management fee and to directly remit that management fee to us. The custodian sends a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the value of the assets held in the account and the amount of management fees paid directly to us. It is the client's responsibility to verify the accuracy of the fee calculation, as the custodian will not determine whether the fee is properly calculated. Clients must discuss any discrepancy in fees with us within 30-days of the billing date.

(ii) Financial Planning & Consulting:

We charge on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee that we charge, is based on the scope and complexity of our engagement with the client. Our hourly fees are \$250 for financial advisors, \$150 per hour for para-planners and \$75 for administrative time. Flat fees generally range from \$1,000 to \$5,000.

(iii) Pension Consulting:

<u>Assets Under Management</u>	<u>Annual Percentage of Assets Charge</u>
\$0 to \$249,999.99	1.50%
\$250,000 to \$999,999.99	1.25%
\$1,000,000 to \$2,999,999.99	1.00%
\$3,000,000 to \$499,999.99	0.75%
Over \$5,000,000	0.50%

Our firm's fees are billed on a pro-rata annualized basis monthly in arrears based on the value of a client's account on the last day of the previous month.

(iv) Referrals to Third Party Money Managers:

We may be compensated by third party money managers or directly from the client for referrals to third party money managers. Fees paid to us by third party money manager are generally ongoing. The use of third party money managers does not increase the advisory fees you will pay to our firm. Any fees we receive from third party money managers are disclosed to you in compliance with applicable state statutes and rules. When our fees are paid directly from clients, the total advisory fees to manage the assets shall never exceed 3.00 %.

Information about the third party money managers' services and fees will be made available to you by the independent manager.

B. Description of whether we deduct fees from clients' assets or bill clients for fees incurred.

(i) Asset Management and Pension Consulting:

Fees will generally be automatically deducted from a client's managed account*. As part of this process, clients understand and acknowledge the following:

- a) The client's independent custodian sends statements at least quarterly to the client showing the market values for each security included in the Assets and all disbursements in the client's account including the amount of the advisory fees paid to us;
- b) Client's provide authorization permitting us to be directly paid by these terms;
- c) We send a copy of our invoice to the independent custodian at the same time we send the invoice to the client;
- d) Our invoice includes a legend that urges the client to compare information provided in their statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

*In rare cases, we may agree to directly bill clients.

(ii) Financial Planning & Consulting:

We generally require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to the client and due to us within thirty (30) days of the financial plan being delivered or consultation rendered to the client. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

(iii) Referrals to Third Party Money Managers:

Third party money managers establish and maintain their own separate billing processes over which we have no control. In general, they will directly bill clients who engage their services and describe how this works in their separate written disclosure documents.

C. Description of any other types of fees or expenses clients may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

D. We must disclose if client's advisory fees are due monthly in advance. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

We charge our advisory fees monthly in arrears. If a client wishes to terminate our services, the client needs to contact us in writing and state that the client wishes to cancel the advisory agreement. Upon receipt of a client's letter of termination, we will proceed to close out the client's account and charge a pro-rata advisory fee for services rendered up to the point of termination.

E. Commissionable Securities Sales.

We do not sell securities for a commission in our advisory accounts.

Item 6: Performance-Based Fees & Side-By-Side Management

We do not charge an additional performance fee based upon a percentage of the capital gains realized in client accounts. We do not manage any client accounts where a performance fee is charged.

Item 7: Types of Clients & Account Requirements

We provide investment management, financial planning, and other financial consultation services to individuals and high net worth individuals and their respective trusts and estates, businesses, corporations, pensions and profit sharing plans, charitable foundations and individual pension and retirement accounts.

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Trusts, Estates or Charitable Organizations;
- Pension and Profit Sharing Plans;
- Corporations, Limited Liability Companies and/or Other Business Types.

As a condition for maintaining a relationship, we generally impose a minimum account size of \$250,000 and a minimum annual fee of \$2,500. Multiple client accounts may be aggregated to meet this requirement. We may, in our sole discretion, waive the minimum account size requirement or impose a different minimum account size requirement.

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

Asset Allocation: We generally focus on identifying an appropriate allocation of securities, maturities, market sectors and yield curve positioning suitable for the client's investment goals and risk tolerance. While asset allocation is recognized by professional investment advisers as a prudent approach, a risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the allocation will change over time due to market movements in the various sectors, which, if not corrected, may no longer be appropriate for the client's goals.

Please Note:

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and client account(s) could enjoy a gain, it is also possible that the stock market may decrease and client account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in their investments, and ask us any questions they may have.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Asset Management, as applicable.

Item 9: Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Item 10: Other Financial Industry Activities & Affiliations

Certain representatives of our firm may be insurance agents/brokers. They may offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation adviser and/or our supervised persons may earn and may not necessarily be in the best interests of the client.

Please see Item 4B Paragraph # 2 of this Brochure. The compensation paid to us by third party managers may vary, and thus, there may be a conflict of interest in recommending a manager who shares a larger portion of its advisory fees over another manager. Our firm's fees are not higher than they would have been had our client obtained services directly from the third party money manager. Prior to referring clients to third party advisors, we will ensure that third party advisors are licensed or notice filed with the respective authorities. A potential conflict of interest in utilizing third party advisors may be an incentive to us in selecting a particular advisor over another in the form of fees or services. In order to minimize this conflict our firm will make our selections in the best interest of our clients.

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

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts¹. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading Policy and personal securities procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must

¹ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

- B. If our firm or a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), we must describe our practice and discuss the conflicts of interest it presents.

Neither our firm nor a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest.

- C. If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- D. If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this brochure. Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities within 24 hours prior to buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

Item 12: Brokerage Practices

- A. Description of the factors that we consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

We seek to recommend a custodian/broker who will hold client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- Ability to maintain the confidentiality of trading intentions
- Timeliness of execution
- Timeliness and accuracy of trade confirmations
- Liquidity of the securities traded
- Willingness to commit capital
- Ability to place trades in difficult market environments
- Research services provided
- Ability to provide investment ideas
- Execution facilitation services provided
- Record keeping services provided
- Custody services provided
- Frequency and correction of trading errors
- Ability to access a variety of market venues
- Expertise as it relates to specific securities
- Financial condition
- Business reputation

With this in consideration, our firm has an arrangement with Schwab ("Schwab"), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. Schwab offers to independent investment advisers non-soft dollar services which include custody of securities, trade execution, clearance and settlement of transactions.

1. Research & Other Soft Dollar Benefits. If we receive non-soft dollar research or other products or services other than execution from a broker-dealer or a third party in connection with client securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Schwab may make certain research and brokerage services available at no additional cost to our firm. These services may be directly from independent research companies, as selected by our firm (within specific parameters). Research products and services provided by Schwab. may include research reports on recommendations or other information about, particular companies or industries; economic surveys, data and analyses; financial publications; portfolio evaluation services; financial database software and services; computerized news and pricing services; quotation equipment for use in running software used in investment decision-making; and other products or services that provide lawful and appropriate assistance by Schwab to our firm in the performance of our investment decision-making responsibilities.

- a. Explanation of when we use client brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

We do not use client brokerage commissions to obtain research or other products or services. The aforementioned research and brokerage services are used by our firm to manage accounts for which we have investment discretion. Without this arrangement, our firm might be compelled to purchase the same or similar services at our own expense.

- b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients' interest in receiving best execution.

As a result of receiving the services discussed in 12A.1, we may have an incentive to continue to use or expand the use of Schwab services. Our firm examined this potential conflict of interest when we chose to enter into the relationship with Schwab and we have determined that the relationship is in the best interest of our firm's clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Schwab charges brokerage commissions and transaction fees for effecting certain securities transactions (i.e., transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Schwab enables us to obtain many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges. Schwab commission rates are generally discounted from customary retail commission rates. However, the commission and transaction fees charged by Schwab may be higher or lower than those charged by other custodians and broker-dealers.

- c. Causing clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Our clients may pay a commission to Schwab that is higher than another qualified broker dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible 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. Accordingly, although we will seek competitive rates, to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions.

- d. Disclosure of whether we use soft dollar benefits to service all of our clients' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

We do not receive soft dollar benefits. The investment research products and services that may be obtained by our firm will generally be used to service all of our clients. A brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

- e. Description of the types of products and services our firm or any of our related persons acquired with client brokerage commissions (or markups or markdowns) within our last fiscal year.

We have not completed our first fiscal year and therefore this item is not applicable.

- f. Explanation of the procedures we used during our last fiscal year to direct client transactions to a particular broker-dealer in return for soft dollar benefits we received.

We have not completed our first fiscal year and therefore this item is not applicable.

2. Brokerage for Client Referrals. If we use client brokerage to compensate or otherwise reward brokers for client referrals, we must disclose this practice, the conflicts of interest it creates, and any procedures we used to direct client brokerage to referring brokers during the last fiscal year (i.e., the system of controls used by us when allocating brokerage).

Our firm does not receive brokerage for client referral.

3. Directed Brokerage.

- a. If we routinely recommend, request or require that a client directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their clients to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of client transactions, and that this practice may cost our clients more money.

Neither we nor any of our firm's related persons have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution or the commission rates at which such securities transactions are effected. We routinely recommend that a client directs us to execute through a specified broker-dealer. Our firm recommends the use of Schwab. Each client will be required to establish their account(s) with Schwab if not already done. Please note that not all advisers have this requirement.

Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

- B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various client accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to clients of not bunching.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Item 13: Review of Accounts or Financial Plans

- A. Review of client accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review.

We review accounts on at least a quarterly basis for our clients subscribing to our Asset Management and Third Party Money Management services. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Properly qualified financial advisors will conduct reviews.

Pension Consulting clients receive reviews of their pension plans for the duration of the pension consulting service. We also provide ongoing services to Pension Consulting clients where we meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

- B. Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

C. Description of the content and indication of the frequency of written or verbal regular reports we provide to clients regarding their accounts.

We can provide written reports to clients, upon request. Verbal reports to clients take place on at least an annual basis when we contact clients who subscribe to our Asset Management, and Third Party Money Management services.

As mentioned in Item 13A of this Brochure, Pension Consulting clients do not receive written or verbal updated reports regarding their pension plans unless they choose to contract with us for ongoing Pension Consulting services.

As also mentioned in Item 13A of this Brochure, Financial Planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

Item 14: Client Referrals & Other Compensation

A. If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

We receive economic benefits from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (*see Item 12 – Brokerage Practices*). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

B. If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, we are required to describe the arrangement and the compensation.

We may enter into third party marketing arrangements whereby we pay referral fees to persons or entities that refer clients to us. The marketing arrangements will be consistent with applicable rules and regulations. These third party solicitors will be properly licensed or registered in their respective fields. Under no circumstances will the client be disadvantaged by the payment of such fees. Clients of the Firm whose accounts involve third party marketing arrangements would be advised of the arrangement and would not pay higher fees as a result of the arrangement.

Item 15: Custody

We have custody of client funds and/or securities. All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

1. Clients must provide us with written authorization permitting direct payment to us of our advisory fees from their account(s) maintained by a custodian who is independent of our firm;
2. We must send a statement to clients showing the amount of our fee, the value of client assets upon which our fee was based, and the specific manner in which our fee was calculated;
3. We must disclose to clients that it is their responsibility to verify the accuracy of our fee calculation, and that the custodian will not determine whether the fee is properly calculated; and
4. A client's account custodian must agree to send the client a statement, at least quarterly, showing all disbursements from the client's account, including advisory fees.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send our clients independent account statements listing client account balance(s), transaction history and any fee debits or other fees taken out of the client's account.

Item 16: Investment Discretion

We accept discretionary authority to manage client assets. In order to do so, we require an investment advisory client agreement to be in place which authorizes us to execute securities transactions, determine which securities to be bought and sold, and the total amount to be bought and sold.

Item 17: Voting Client Securities

We do not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18: Financial Information

- A. If we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200.

- B. If we are an SEC- registered adviser and have discretionary authority or custody of client funds or securities, or we require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

We have nothing to disclose in this regard.

- C. If we have been the subject of a bankruptcy petition at any time during the past ten years, we must disclose this fact, the date the petition was first brought, and the current status.

We have never been the subject of a bankruptcy proceeding.