



GREEN INVESTMENT MANAGEMENT, INC.

Firm Brochure

COVER PAGE

(Part 2A of Form ADV)

March 26, 2014

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www.GIMlink.com

This Brochure provides information about the qualifications and business practices of Green Investment Management, Inc. If you have any questions about the contents of this Brochure, please contact us at the phone number listed above. 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.

Green Investment Management, Inc. is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about Green Investment Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

Update

This section of the brochure summarizes any significant changes that have been made to the brochure since its last release. This is necessary to keep you up-to-date with any changes to our policies, practices or potential conflicts of interest. This section will help you decide whether to review each new release of the brochure in its entirety or contact us with questions about any changes.

Summary of Material Changes

There are no material changes in this brochure since our last Annual ADV Amendment filed on 1/4/2013. There were three non-material changes made, including: 1) Additional disclosures regarding our trade rotation policies to insure fair treatment for all of our clients, 2) disclosures regarding additional sub advisory services provided by our firm and 3) an update to the amount of discretionary assets under management.

Pursuant to SEC Rules, we will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. We will further provide other ongoing disclosure information about material changes as necessary without charge.

Request a Brochure

If you would like to receive the latest copy of this brochure, please contact us by telephone at (800) 950-8004 or (817) 335-1178, or by email at Jackie@GIMlink.com. Additional information about Green Investment Management and persons affiliated with us is also available via the SEC's website www.adviserinfo.sec.gov.

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ADVISORY BUSINESS

Firm Description & Principal Owners

At Green Investment Management, Inc. (GIM), managing assets has been our business since our founding in 1984. As a privately-owned corporation based in Fort Worth, Texas, we are known for our asset allocation strategies and risk-sensitive investment philosophy. Our clients are generally referred to us through representatives of broker-dealer firms and investment adviser firms ("Advisors"). We engage other, unaffiliated investment managers, or "Outside Strategists", to assist us with the management of some of our investment strategies. We also provide our strategies to independent firms that offer our investment models to their clients through their investment management programs. We believe our firm's long-term success comes from a conservative investment philosophy and a recognition that we can only grow by serving our clients' needs effectively. Our company is directly owned by the President and founder, Byron Green.

Types of Advisory Services Offered

Our firm provides continuous advice to our clients regarding the investment of their funds on the basis of their individual needs. Separately, we provide impersonal advisory services through non-exclusive licenses granted to independent companies to offer our investment strategies to its clients through their investment management programs.

Because we believe that asset allocation is the most important determinant of your portfolio's return, we offer a wide choice of asset allocation and investment strategies, which we refer to as "Models." These Models, while varying in their asset allocation approaches and risk/return profiles, consistently apply sound investment processes and disciplined thinking.

We believe the optimum asset allocation mix will change over time as the markets and the economies of the world change. So many of the Models we offer are managed using a sensible blend of fundamental and technical investment analysis to guide ongoing changes in their composition. The investment strategy followed by each Model is explained in more detail in the

section titled "Methods of Analysis, Investment Strategies and Risk of Loss".

Just as your objectives and risk tolerance are unique to you as a client, each Model offered through GIM has a unique risk/return profile. You can select an existing model that fits your risk/return needs or customize your strategy further by combining multiple Models within one or more investment accounts (each an "Account") or collective Accounts to create a "Portfolio" that is unique to your requirements.

As a client, your Advisor will guide you in these decisions and contact you at least annually to ascertain if your Portfolio remains suitable for your specific situation. GIM manages your Portfolio according to the Model or selected mix of Models you have chosen.

We offer two distinctively different investment programs:

- Portfolio-Designs
- GIM Legacy

In both programs, we offer a number of different Models. Each Model is diversified among one or more asset classes, such as: (1) domestic stocks, (2) international stocks, (3) domestic bonds (4) international bonds, (5) cash investments such as money market mutual funds, and (6) alternative assets.

Depending on the Model(s) you choose and any limitations you may impose on your Account, our Models typically invest in mutual funds, exchange traded funds (ETFs), exchange traded notes (ETNs), variable annuity sub-accounts or other investment products whose values are determined on at least a daily basis, including money market mutual funds, interest bearing accounts and cash.

Generally, each Model will differ in two primary ways:

1. By the diversity and relative weights of the asset classes included in the Model, and,
2. The strategy and constraints used to adjust the mix of assets.

The differences in Models reflect varying tradeoffs between expected returns and

acceptable risks. You may prefer to maximize expected returns by investing in riskier assets, while others may prefer to minimize risk. Most select a Model or combination of models somewhere in between that reflects the most appropriate risk/return tradeoff for their particular situation.

Either of our two investment programs allows you, with the assistance of your Advisor, to customize an investment strategy by selecting one or more Models to include in your Portfolio.

Regardless of the investment program, prior to engaging us to provide our investment services, you will be required to enter into a formal investment advisory agreement with GIM setting forth the terms and conditions under which we will manage your assets. The investment advisory agreement between GIM, you and your Advisor (when applicable) will continue in effect until terminated by either party by written notice in accordance with the terms of the agreement.

The following paragraphs describe the two programs we offer, Portfolio Designs and GIM Legacy, in greater detail:

Portfolio-Designs

This is our program that gives you and your Advisor an efficient, automated way to build a custom investment portfolio to your individual needs. Here is how it works:

You answer a series of questions. Based on your answers, our Portfolio-Designs software calculates an estimated level of risk your final portfolio should not generally exceed. Then, you and your Advisor construct a portfolio from the various Models (as described above) available in the program, combining them like pieces of a puzzle. All along, the software compares the estimated risk of the portfolio under construction to your previously computed maximum risk level.

A key feature of Portfolio-Designs is that it offers Models which GIM manages directly as well as those we manage with the input of reputable Outside Strategists like UBS Global Asset Management and Saratoga Capital Management. In this way, the program gives you access to a broad array of investment options and management styles, all within one account.

So GIM has two roles in the Portfolio Designs program. We administer or manage the entire program, plus we are one of the Strategists involved in managing individual Models available through the program.

As Program Manager, we monitor the performance of the Outside Strategists and exercise final discretion over all the Models available in the program, even those bearing the names of Outside Strategists. Outside Strategists, on the other hand, provide us with ongoing recommendations and investment advice regarding the Models bearing their name. They do not, however, take your individual objectives into consideration and GIM is solely responsible for the decision to implement the Outside Strategist's recommendations.

GIM faces a potential conflict of interest because we are unlikely to remove our own Models from a program that we ourselves manage. Outside Strategists, on the other hand, might be removed if they are not meeting performance expectations or providing consistent direction. To deal with this conflict, we give you and your Advisor easy-to-read risk and return statements so you can compare all the Models offered through the program on an objective basis, and decide for yourselves which to include in your portfolio.

Trust Company of America (TCA) is the custodian for the Portfolio Designs program, which means they handle your money and securities. They provide you with quarterly statements detailing the market value of your Account, the investments held and the advisory fees due for the next quarter. GIM makes additional performance reports and your statements available via the Portfolio-Designs website with secure login.

GIM Legacy

This program offers you the opportunity to invest in Models which are all fully managed by GIM. Unlike Portfolio-Designs, it does not offer any Models managed with input from Outside Strategists. This is the business model our firm was first built on, but it provides you fewer choices than our Portfolio-Designs program, which we now emphasize. We continue, however, to offer Models through GIM Legacy to fit a variety of investor situations, with differing risk levels and return prospects.

In the GIM Legacy program, we manage your assets within a custodial, or third party, account. So when you invest with us, you open an account with either TD Ameritrade ("TDA") or Trust Company of America ("TCA"). You deposit your funds in that account for GIM to manage. We then purchase and sell securities (as described above) through the selected custodian on your behalf. The custodian provides you with quarterly statements detailing the market value of your Account, the investments held and the advisory fees collected for the next quarter.

TDA, TCA or another qualified independent Custodian you have selected for the GIM Legacy Program shall hold your securities and cash and send you periodic account statements detailing your individual Account(s), including portfolio holdings and market prices, all transactions (such as trades, cash contributions and withdrawals, in kind transfers of securities, interest and dividend or capital gains payments) and fee deductions for each individual Client Account.

Additionally, Clients are able to inquire about their current holdings and the value of their Accounts on a daily basis by web-based access. The Custodian may also send a Transaction Acknowledgement to the Client for all cash contributions, withdrawals and in kind transfers as they occur.

GIM provides you with quarterly statements detailing the market value of your holdings, the positions you hold, your returns for the quarter and the advisory fees due for the next quarter. Additionally, we make daily account statements available via the Green Investment Management website with secure login.

The Custodians will mail a letter of acknowledgement confirming the establishment of an Account and receipt of assets, separately to the Account's address of record. Clients are strongly encouraged to review all statements, acknowledgements and correspondence sent by the Custodian.

Regardless of whether you are investing in the Portfolio-Designs program or the GIM Legacy program, if your assets are held at TCA or TDA and you select Models that are investing in:

- Mutual funds - Your Account will be invested in no-load and/or load-waived mutual funds. The Model(s) will be invested consistent

with the allocations provided by GIM or an Outside Strategist. Certain Outside Strategists compose their Models utilizing only those mutual funds managed by them or an affiliate of their firm.

- ETFs, ETNs or closed end funds (called collectively Exchange Traded Product "ETPs") - Your Account will be invested in one or more of these ETPs consistent with the allocations provided by GIM or an Outside Strategist. ETPs are traded daily at market determined prices on a national exchange in a similar manner to stocks. GIM's trading practices are discussed further in the Brokerage Practices section.

Unless otherwise restricted by you, the Account may also include non-mutual fund or non-ETF investments, as applicable. For example, non-mutual fund investments could be cash equivalents held by your Account.

In some cases, you may already own investments which are suitable to be managed within GIM's Legacy program, but that are not held at TCA or TDA. We may be able work with these types of investments as long as they are held with a qualified custodian as listed in our product guide. You will simply need to execute the documents required to grant us discretion to trade these securities, subject to any written limitations you may want to impose. GIM will additionally be able to buy, sell and trade for your Account any of the other investments mentioned above. Since, in this instance, you already own the investments, they may or may not have been subject to a sales charge, but any subsequent additions into load investments may incur sales charges. This would be the case whether GIM is providing its management service or not. Also, depending on the person involved in the original sale, an Advisor responsible for referring the client to GIM might receive commissions on the additional investment.

If you have an existing investment in a variable annuity that is listed in our product guide, we may be able to manage the allocation of its annuity sub-accounts within one of our Models available in the GIM Legacy program. GIM may have the ability to select among those specific variable annuity sub-accounts included in the prospectus delivered to you by the variable annuity issuer. But GIM has not selected the sub-accounts available in the variable annuity, and

GIM is unable to add or remove sub-accounts. The list of sub-accounts may be revised by each variable annuity issuer.

Newsletter

As a client, you will have access to our monthly newsletter reviewing the current economic and investment climate and discussing the outlook for the future.

Opening an Account

The process of opening an account generally begins after your Advisor consults with you to assess your financial situation, investing history, tolerance for risk, and to identify your investment objectives. You and your Advisor then select one or more of GIM's Models that best meet your financial needs and objectives.

Investment Restrictions

As a client you may impose restrictions upon GIM from investing in certain securities or types of securities for your account that are reasonable in light of the advisory services being provided. These restrictions must be submitted in writing to us as part of the investment advisory agreement. Requests for such restrictions are reviewed by GIM to ensure that they are reasonable and will not unduly impair our ability to achieve your stated investment objectives or cause your investment performance to significantly deviate from other clients holding the same Model.

Assets Under Management

As of February 12, 2014, GIM manages \$129 million in client assets on a discretionary basis and \$0 on a non-discretionary basis.

FEES AND COMPENSATION

Fee Schedule

Management fees vary depending upon the investment program and the Model(s) chosen. The basic management fee schedules are shown on the following charts:

Portfolio- Designs Product	Management/Program Fees			
Client Account Value	UBS Models	GIM Guardian Models	GIM Tax- Aware Models	Saratoga Models
First \$250,000	0.65%	0.95%	0.55%	0.65%
Next \$250,000	0.65%	0.85%	0.55%	0.65%
Next \$500,000	0.55%	0.75%	0.45%	0.55%
Next \$4 million	0.45%	0.50%	0.40%	0.45%
Over \$5 million	0.40%	0.50%	0.35%	0.40%

Portfolio- Designs Product	Management/Program Fees
Client Account Value	GIM Global Strategic Models (Restricted Availability)
First \$250,000	0.50%
Next \$250,000	0.50%
Next \$500,000	0.45%
Next \$4 million	0.40%
Over \$5 million	0.35%
GIM Legacy Product	Management Fees (TCA or TDA Custody)
Client Account Value	GIM Guardian Models
First \$250,000	1.9%
Next \$250,000	1.7%
Next \$500,000	1.5%
Over \$1 million	1%

GIM Legacy Product	Management Fees (Non TCA or TDA Custody)
Client Account Value	GIM Guardian Models
First \$500,000	2.00%
Next \$500,000	1.5%
Over \$1 million	1%

Billing Method

GIM's management fee (GIM Legacy program) or the Program Manager's fee (Portfolio-Designs program), and your Advisor's fee (both GIM Legacy and Portfolio-Designs, if applicable) for an existing Account are based upon your Account values as of the last day of the preceding quarter and are payable quarterly, in advance, for the upcoming calendar quarter at the annual rates indicated above.

For the initial deposit to your Account and for any subsequent, additional amounts deposited, GIM's management fee (GIM Legacy program) or the Program Manager's fee (Portfolio-Designs program) and your Advisor's fee (both GIM Legacy and Portfolio-Designs, if applicable) will be based on your Account valuation on the date the Custodian receives your money and/or securities and will be payable in advance for the remainder of the current quarter on a pro rata basis.

Initial and any renewal billings will be invoiced to you and subsequently deducted from your Account (unless you elect to pay the fee by check) for payment to GIM and your Advisor (if applicable).

GIM and your Adviser (if applicable) reserve(s) the right to negotiate their respective fees at their own discretion and may offer reduced fees to employees and their families. GIM hereby advises you that similar or more comprehensive services may, from time to time, be available to you at a lower cost from other investment advisers. We further advise you that investments purchased on your behalf in most cases could be purchased by you directly without incurring GIM's management fee or the Program Manager's fee and your Advisor's Fee (if applicable).

In cases where GIM provides impersonal advisory services to independent companies to offer our investment strategies to its clients through their investment management programs, our compensation may be lower than our standard fee schedule. However, the overall cost of the arrangement may be higher than a client otherwise would pay if the client paid our standard fee schedule.

In cases where GIM accepts accounts below its account minimums at TDA, GIM imposes a minimum fee of \$100 annually. This minimum fee may make smaller accounts less cost-effective than larger accounts.

Generally, if you invest in one or more Models and/or have multiple Accounts comprising your Portfolio, you will be given credit for the aggregate billable balances of your entire Portfolio when computing the fees applicable across Models and accounts.

At the discretion of GIM, the values of related Accounts you have under management with us may be grouped together for purposes of reducing the overall management fee being charged to your related Accounts.

GIM may reduce its fees for advisers who maintain a significant level of assets under management with GIM. This arrangement could affect GIM's willingness to negotiate fees with you or other Clients.

Under both the GIM Legacy Program and the Portfolio-Designs Program, payment of GIM's management fee or Program Manager fee and your Advisor Fee (if applicable) to GIM may be made by a qualified custodian only when the following criteria are met: 1) Your funds are held with the qualified custodian, 2) You have provided written authorization to GIM permitting the fees to be paid.

Termination of Agreement

You can rescind GIM's Legacy or Portfolio-Designs advisory agreement for a complete refund of GIM's management fee or Program Manager fee and the Advisor's Fee (if applicable) within five (5) business days after execution of the agreement. After this, either party can terminate the advisory agreement by giving at least ten (10) days prior notice in writing to the other party. Collected but unearned GIM management fees or Program

Manager fees and Advisor fees (if applicable) are refundable to you on a pro rata basis if this happens. If your Account is to be liquidated as a result of a termination notice, we may take up to five (5) trading days to complete the liquidation following the date the liquidation request was received by GIM. If a transaction occurs during this period within the normal scope of managing your Account, your Account may or may not be reallocated, for which GIM will not be held responsible. Thereafter, we will not change the invested position of your investments unless instructed by you or your Advisor. Proceeds will be payable to you within five (5) business days of liquidation. (Note: You are not required to terminate any variable annuity contract or liquidate a mutual fund account to terminate our management service. Should you decide to terminate such a contract or account, a surrender/redemption charge or penalty may be imposed by your annuity or fund provider.)

Other Fees and Expenses

In addition to management and/or Program fees, Trust Company of America ("TCA") and TD Ameritrade ("TDA") will charge you additional fees, including asset based fees for custodial and execution services, as outlined in Schedule B to GIM's advisory agreement.

Some expenses are inherent within the investments held in your Accounts. Mutual funds, ETPs and variable annuities pay management fees to their investment advisers, and certain funds and bank money market accounts have other types of fees or charges, including 12b-1, administrative or shareholder servicing fees, bank servicing or certain other fees, which may be reflected in the net asset value of these types of investments held in your Accounts. These expenses are borne by all investors holding such securities in their Accounts and are separate from GIM's management fee or the Program Manager's fee, and your Advisor's fee (if applicable) or other charges.

Some mutual funds or variable annuity sub-accounts may charge short-term redemption fees. Currently, GIM seeks to avoid investing in such funds to the extent practicable, but avoidance of these fees is not guaranteed.

Custodial Account Fees will differ depending on the custodian chosen for the Account. Assets of other Accounts owned by you will not be aggregated when calculating Custodial fees. Each of your Accounts is subject to custodial fees charged by your custodian. The custodial fees are described in Schedule B to the investment advisory agreement between GIM, you and your Advisor (when applicable). These fees are subject to change.

You should be aware that the management or program fees charged by GIM or your Advisor's fee, separately or collectively may be higher or lower than those charged by others in the industry and that it may be possible to obtain the same or similar services from other investment advisers at lower or higher rates. You may be able to obtain some or all of the types of services available through GIM on an "unbundled" basis through other firms and, depending on the circumstances, the aggregate of any separately-paid fees may be lower or higher than the annual fees shown above.

You should also be aware that the Advisors recommending GIM's advisory services receive compensation as a result of Clients' contracting with GIM for these services.

PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Green Investment Management, Inc. does not charge any performance-based fees in which we receive a share of the capital gains on your assets. We feel these types of fees encourage excessive risk-taking by managers.

TYPES OF CLIENTS

Green Investment Management, Inc. provides investment advice for many different types of clients, including individuals, pension and profit sharing plans, trusts or estates, charitable organizations, corporations and business entities.

Account Requirements

GIM Legacy - A minimum of \$20,000 of assets is required for starting or maintaining this service, however, under certain circumstances this minimum may be waived at GIM's discretion.

Portfolio-Designs - A minimum of \$25,000 of assets is required for starting and maintaining this service per account and per Model selected by you. In addition, there is a limit of three (3) Models that you may select per account (i.e., each

account having a different Custodial account number) maintained with the Custodian in order to build your portfolio. Under certain circumstances the minimum account size, minimum Model size and maximum Model count may be waived at GIM's discretion.

If for any reason your Account value falls below GIM's required minimums, GIM may request you to correct the deficiency. If you choose not to correct the deficiency, GIM, at its discretion, may give you notice that its management will cease in 30 calendar days from date of notice. After the 30 days have elapsed, absent any instructions from you on how you plan to correct the deficiency, GIM may cease management. In cases involving the monies custodied at TDA or TCA, absent any instructions from you on how you plan to correct the deficiency, GIM may sell all securities and send proceeds to you.

Since both the GIM Legacy and Portfolio-Designs programs are designed for long-term investors, you may request a change in the proportion of their Account allocated to one or more Models once every 90 calendar days. This limitation may be waived at GIM's sole discretion. This does not restrict you from taking distributions, making contributions or closing your accounts at any time. Requests for model changes provided to GIM by 11:00 AM Central Standard Time will be completed on a best efforts basis by GIM as soon as practical, usually on the same day.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis

Because we believe that asset allocation is the most important determinant of your portfolio's return, we offer a wide choice of asset allocation and investment strategies, which we refer to as "Models." These Models, while varying in their asset allocation approaches and risk/return profiles, consistently apply sound investment processes and disciplined thinking.

We believe the optimum asset allocation mix will change over time as the markets and the economies of the world change. So many of the Models we offer are managed using a sensible blend of fundamental, technical and quantitative investment analysis to guide the changes in their composition.

To aid us in our investment decisions, we gather fundamental, technical and quantitative data and independent research from multiple sources. We analyze this to determine if there should be any changes to the Models under management in response to changing market or economic conditions. In the case of Models advised by outside Strategists, the Strategists make recommendations to GIM regarding how their Models should be invested. The frequency of these recommendations is dependent upon market and economic conditions. GIM is solely responsible for the decision to implement Strategist's recommendations.

In addition to the Models managed by GIM within the GIM Legacy program, the Portfolio-Designs program gives you access to expertise outside of our own with the availability of Models advised by Outside Strategists. These Strategists make recommendations to us regarding how their Models should be invested. The frequency of these recommendations varies depending on market and economic conditions. GIM remains solely responsible for the decision to implement the recommendations of Outside Strategists.

Most of the Models offered through GIM have both strategic targets and tactical ranges that the different asset classes comprising the Model may span within. The strategic target is the base or normal allocation of the portfolio. The tactical ranges are the minimum and maximum exposure that each Model may have in each asset class. For example, the strategic targets and tactical ranges for the GIM Guardian Conservative Balanced Model are listed below:

<u>Asset Class</u>	<u>Strategic</u>	<u>Tactical</u>
Domestic Equities	35%	10%-40%
Foreign Equities	15%	5%-20%
Domestic Bonds	50%	10%-60%
Foreign Bonds		0%-10%
Money Market		0%-75%
Other		0%-20%

Asset class changes will stay within the tactical ranges. For example, considering the tactical range for domestic equities in the strategy is 10% to 40%, GIM may reduce the exposure of the Model to 10% domestic equities if conditions are

less favorable for equities. Similarly, when economic and market conditions improve and the risk of holding equities is relatively low, and the potential rewards are correspondingly high, we may increase the exposure in domestic equities to the maximum of 40% allowed in the tactical allocation. The goal of asset class changes is to add value to a Model by balancing relative risks and opportunities. GIM makes adjustments within the tactical ranges in each portfolio to take advantage of market conditions. Regardless of the outlook for the investment markets, positions taken on behalf of clients will be within the constraints of their stated investment objectives and risk tolerances.

Investment Strategies

GIM Models

Models we manage ourselves are divided among GIM Guardian Models, GIM Strategic Global Models and GIM Tax Aware Models.

Because of the nature of investment markets, there is no assurance that we will always be able to achieve our objectives in managing these Models and our past performance at this cannot guarantee any specific future performance. Investing involves a risk of loss and you can incur losses.

Below is the full roster of GIM Models:

Our Guardian Models are for investors who are concerned about substantial losses that could occur during difficult market periods. We seek to position Guardian Models in a way to minimize significant losses during difficult periods while still providing favorable long-term risk-adjusted returns. We currently offer eleven different Guardian Models:

Guardian Fixed Income Model - This Model is diversified mostly among domestic bond funds with a small allocation to foreign bonds periodically. We actively monitor and alter it in an attempt to maximize returns within moderate risk parameters. This allocation is designed for clients who seek relatively high current income while also seeking good risk-adjusted total returns. It may also be suitable for clients requiring higher income with safety and stability. This allocation often uses high yield bond funds. Such funds generally contain non-investment grade bonds (sometimes called "junk bonds".) These usually offer better yields than higher rated

bonds with similar maturities. But they are also considered speculative and can involve greater price volatility and risk of loss.

Guardian Balanced Income Model - This Model is a diversified mix of both domestic and international stock and bond funds, with a strong emphasis on bonds. We actively monitor and alter it within predetermined ranges to maximize returns within moderate risk parameters. This allocation is designed to provide moderate current income and moderate growth.

Guardian Conservative Balanced Model - This Model is a diversified mix of both domestic and international stock and bond funds, with an emphasis on bonds. We actively monitor and alter it within predetermined ranges to maximize returns within moderate risk parameters. This allocation is designed to provide conservative long-term growth with some current income, though less than the Guardian Fixed Income and Guardian Balanced Income.

Guardian Balanced Model - This Model is a diversified mix of both domestic and international stock and bond funds, with a modest emphasis on stocks. We actively monitor and alter it within predetermined ranges to maximize returns within moderate risk parameters. This allocation is designed to provide long-term wealth accumulation with moderate risk and purchasing power protection.

Guardian Balanced Growth Model - This Model is a diversified mix of both domestic and international stock and bond funds, with an emphasis on stocks. We actively monitor and alter it within predetermined ranges to maximize returns within moderate risk parameters. This allocation is designed to provide long-term wealth accumulation and purchasing power protection.

Guardian Balanced Mosaic Model - This Model is a diversified mix of both domestic and international stock and bond funds, with a stronger emphasis on stocks. As the name implies, different investment styles are employed within the Model. A sector allocation strategy is added to our usual 'balance' of styles to create the 'mosaic' style. This Model is designed to provide long-term growth for clients who have some tolerance for variable returns.

Guardian Global Stock Model - This Model is a diversified mix of domestic and foreign stock

funds designed for long-term growth. We actively monitor and alter it within predetermined ranges to maximize returns within reasonable risk parameters. This allocation is designed for clients with a reasonable tolerance for variable returns who seek above average long-term growth.

Guardian Equity Mosaic Model - This Model is a diversified mix of both domestic and international stock funds, with an occasional allocation to bonds. As the name implies, different investment styles are employed in the Model. A sector allocation strategy is added to our usual 'balance' of styles to create the 'mosaic' style. This allocation is designed to provide moderately aggressive long-term growth for clients who have a reasonable tolerance for variable returns.

Guardian Sector Model - This Model invests in equity funds. In it we make concentrated investments into sectors of the markets that are demonstrating relative strength. We actively monitor and alter it to maximize returns within reasonable risk parameters. This allocation is most suitable for clients with a high tolerance for variable returns who seek aggressive long-term growth.

Guardian Country Model - This Model follows an aggressive strategy that involves foreign country or region specific exchange-traded funds that we believe are demonstrating risk-adjusted relative strength. The allocation generally invests in equities from 3 to 5 different foreign countries. The objective is to provide foreign equity diversification with enhanced risk-adjusted returns compared to broad foreign equity indexes.

Guardian Alternatives Model - This Model follows a disciplined strategy designed to provide a hedge against inflation or deflation by holding exchange-traded funds (ETFs) and exchange-traded notes (ETNs) that are either long or short in commodities, currencies, real estate and/or emerging market stocks. Because these assets tend to move in a cyclical fashion, the opportunity for gains on both advancing and declining markets exists. This Model seeks to take advantage of this fact by utilizing a momentum-based strategy. We examine the strength and consistency of price trends to establish advantageous positions. Because of its low expected correlation to stocks and bonds, this Model can powerfully diversify and complement traditional stock-bond-cash portfolios.

GIM Tax-Free Allocation - This strategy invests in a diversified mix of domestic tax-free bond funds of varying maturities. This strategy is intended to generate tax-free income and may be suitable for investors seeking the same.

Our Strategic Models are for long-term, cost conscious, value oriented investors. They are broadly diversified and designed to be strategic rather than tactical in nature, and therefore holdings are not altered as frequently in response to short term changes in the markets. We currently offer two different Strategic Models on a restricted basis:

Strategic Global Balanced Model - We designed this Model for investors seeking to benefit over the long term from a diverse combination of investment approaches, including passive holdings around an active core. As the name implies, the positions are global in nature and comprise a balance of stock and fixed income as well as a small cash component. We provide rebalancing services for the Model relative to its neutral position weightings. Because it usually remains fully invested through various market environments, it is best suited for investors who have moderate risk tolerance.

Strategic Global Balanced Tax Aware Model - We designed this Model for investors seeking to benefit over the long term from a diverse combination of investment approaches including passive holdings around an active core. It is similar to the Strategic Global Balanced Model but managed for tax efficiency through the use of investments such as municipal securities. We will provide rebalancing services for the Model relative to its neutral position weightings. Because it will usually remain fully invested in various market environments, it is best suited for investors with moderate risk tolerance.

Our Tax Aware Models are for investors who want a Model managed with an eye toward tax benefits and focused on post-tax, rather than pre-tax, earnings. We currently offer three different Tax Aware Models:

GIM Tax Aware 50-50 Model (50% stock/50% fixed income) is for investors who want a strategy that is managed with an eye toward post-tax, rather than pre-tax, returns. Its fully tax-aware strategy is about more than simply holding municipal bonds. For instance, turnover is an important consideration since short term gains are taxed more heavily than long term ones. Qualified

dividends are taxed at a lower rate than income distributions, and stock funds may have both taxable and tax-deferred shareholders. The Tax Aware 50/50 is managed with these considerations in mind. We designed it for investors who seek long term growth in after-tax wealth. Since it generally maintains a significant exposure to stocks, it is for the investor who can tolerate moderate risk.

GIM Tax Aware 60-40 Model (60% stock/40% fixed income) is for investors who want a strategy that is managed with an eye toward post-tax, rather than pre-tax, returns. Its fully tax-aware strategy is about more than simply holding municipal bonds. For instance, turnover is an important consideration since short term gains are taxed more heavily than long term ones. Qualified dividends are taxed at a lower rate than income distributions, and stock funds may have both taxable and tax-deferred shareholders. The Tax Aware 60/40 is managed with these considerations in mind. We designed it for investors who seek long term growth in after-tax wealth. Since it generally maintains a majority exposure to stocks, it is for the investor who can tolerate some risk.

GIM Tax Aware 75-25 Model (75% equity/25% fixed income) is for investors who want a strategy that is managed with an eye toward post-tax, rather than pre-tax, returns. Its fully tax-aware strategy is about more than simply holding municipal bonds. For instance, turnover is an important consideration since short term gains are taxed more heavily than long term ones. Qualified dividends are taxed at a lower rate than income distributions, and stock funds may have both taxable and tax-deferred shareholders. The Tax Aware 75/25 is managed with these considerations in mind. We designed it for investors who seek long term growth in after-tax wealth. Since it generally maintains a heavy exposure to equities, it is for the investor who can tolerate risk.

Outside Strategist Models

Following is the current list of Models we manage with input from Outside Strategists. They are exclusively available through our Portfolio-Designs program:

Strategist - UBS Global Asset Management

UBS Global Asset Management is the asset management arm of UBS, one of the world's largest financial firms. The group was founded

by Gary P. Brinson, who authored studies on the value of asset allocation that have become virtual required reading in the financial industry. UBS' deep, seasoned team employs a "big picture" approach. They search for long-term, consistent results through globally integrated research and analytical resources. They seek to leverage the diversity, breadth and global scope of their capabilities to identify securities and asset classes with market values that have moved away from underlying values. UBS' philosophy is that these discrepancies arise from investors taking a limited view of a market, and often looking back instead of forward. They believe that integrated global research can transcend such views to create an actionable information advantage while closely managing risk exposure.

UBS Global Real Return Model is for investors who desire a reduced level of risk. It is actively managed with the goal of guarding purchasing power against inflation (for "real" return) while being less reliant upon favorable performance in stock markets. Global Real Return generally maintains significant assets in low risk bonds and cash. It also recognizes that markets can move both up and down. The ability to hedge by taking short positions is maintained as a way to reduce risk. The result is a well-diversified allocation that seeks to pair bond-like risk with stock-like returns.

UBS Global Integrated Disciplines Model is the flagship allocation that helped establish UBS Global Asset Management's reputation. It combines stocks, bonds and other asset classes in a blend for investors with a tolerance for a moderate level of risk. Managers of this allocation seek to identify both undervalued and overvalued investments through bottom-up fundamental analysis. This analysis is "integrated" with global economic, stock, fixed income and credit research to drive allocation and rebalancing decisions. Exposure is increased to opportunities that are seen as most favorable. Alternative analytical approaches, such as bottom-up identification of growth investments, are sometimes also employed to manage risk.

UBS Global Plus Model is for investors seeking higher returns through additional managed risk. It generally maintains a high exposure to stocks, holding some bonds but no cash in the neutral position. The managers use leverage (from 0%-50%) to magnify exposure to the opportunities

seen as most favorable. The result is a stock-friendly allocation that actively takes on risk that managers believe will be paid back with returns.

Strategist - Saratoga Capital Management, LLC ("Saratoga")

Saratoga Capital Management, LLC ("Saratoga"), founded in 1994, believes that asset allocation strategies in a recession should be different than those used in a full growth economy. They recognize that the economy is a fluid process made up of numerous sectors. So Saratoga regularly evaluates how individual sectors are affecting the overall economy. Saratoga employs a team approach with managers who focus on one asset class (e.g., small capitalization stocks) each.

Saratoga Dynamic Moderate Balanced Model is a diversified mix of stock, bond and money market mutual funds. It is for the moderately conservative investor.

Saratoga Dynamic Aggressive Balanced Model is a diversified mix of stock, stock sector, bond and money market mutual funds for more aggressive investors who seek higher returns than the Dynamic Moderate Balanced.

Saratoga Dynamic Aggressive Equity Model is comprised of 100% stock and stock sector mutual funds with less diversification and a higher level of risk than the Dynamic Aggressive Balanced Model. It is designed for investors seeking higher rates of return than the Dynamic Aggressive Balanced allocation.

A breakdown of individual Model availability in our two programs is as follows:

Portfolio-Designs
GIM Guardian Fixed Income
GIM Guardian Balanced Income
GIM Guardian Conservative Balanced
GIM Guardian Balanced
GIM Guardian Balanced Growth
GIM Guardian Balanced Mosaic
GIM Guardian Global Stock
GIM Guardian Equity Mosaic
GIM Guardian Sector
GIM Guardian Country
GIM Guardian Alternatives
GIM Strategic Global Balanced*
GIM Strategic Global Balanced Tax-Aware*
GIM Tax Aware 50/50
GIM Tax Aware 60/40
GIM Tax Aware 75/25
UBS Global Real Return
UBS Global Integrated Disciplines

Portfolio-Designs
UBS Global Plus
Saratoga Dynamic Moderate Balanced
Saratoga Dynamic Aggressive Balanced
Saratoga Dynamic Aggressive Equity
<i>*Restricted Availability</i>

GIM Legacy
GIM Guardian Fixed Income
GIM Guardian Balanced Income
GIM Guardian Conservative Balanced
GIM Guardian Balanced
GIM Guardian Balanced Growth
GIM Guardian Balanced Mosaic
GIM Guardian Global Stock
GIM Guardian Equity Mosaic
GIM Guardian Sector
GIM Guardian Country
GIM Guardian Alternatives
GIM Tax Free

General Risk of Loss Statement

Prior to entering into an agreement to have your account managed with GIM, you should carefully consider:

1. Investing in securities involves risk of loss which you should be prepared to bear;
2. Securities markets experience varying degrees of volatility;
3. Over time your assets may fluctuate and be worth more or less than the amount you invested; and
4. Commit only those assets that you believe will not be needed for current purposes and can be invested on a long-term basis, usually a minimum of five to seven years.

Risks

Concentrated Investments: Models with investments concentrated in particular market segments (regional, country, sector or industry, for example) or strategic style (momentum or tactical asset allocation based) may bear a greater degree of market risk than a more diversified investment portfolio. Models potentially incurring this risk are GIM Guardian Sector, GIM Guardian Country, GIM Guardian Alternatives and Saratoga Dynamic Aggressive Allocation.

International Investments: Models which invest predominately in shares or obligations of

companies organized outside the United States, have special risks. The investments of such funds may be materially impacted by unstable political environments in the country of organization of their portfolio companies and by foreign currency exchange fluctuations. Foreign taxes and differences in financial and accounting standards from those applicable to U.S. companies introduce additional risks. Most of the Models offered through the GIM Legacy program and the Portfolio-Designs program participate in international investments.

Alternative Investments: Most of the Models offered through the GIM Legacy program and the Portfolio-Designs program have exposure to securities that internally invest in alternative investment strategies, such as real-estate, commodities and hedged or absolute return strategies. One common theme to alternative investments is that they are generally expected to have low correlations with traditional investments so as to increase the diversification benefits to your portfolio. While the allocation to these investments is expected to reduce portfolio risk over time, we cannot be certain that their inclusion in a Model will achieve that objective.

Index and Leveraged Investments: Most of the Models offered through the GIM Legacy program and the Portfolio-Designs program have some exposure to strategies that internally utilize inverse indexes and leveraged instruments, such as short sales, and options and futures contracts (so-called derivative investments), both on a long and short basis that are designed to have a targeted positive or negative correlation to an underlying index. All of these investment strategies introduce risks which are in addition to the traditional market risks of equity or income investing. These strategies are often employed in an effort to decrease overall Model downside risk, but GIM and the outside Strategists can offer no guarantee that these strategies will be able to achieve their stated objectives.

Allocations/Models with Short Performance Records: Performance results for periods less than five years may not provide an adequate basis for evaluating the risk or performance potential of the Allocations/Models over varying market conditions or economic cycles. While offered by experienced managers, several of the Models offered through the Portfolio-Designs program have actual track records of less than three years. These include the UBS, Saratoga, GIM

Tax-Aware, GIM Strategic Global and GIM Guardian Alternatives Allocations.

Income Investments: When utilized in GIM's strategies may have exposure to US Treasury bonds and notes, Government sponsored enterprises (such as Fannie Mae and Freddie Mac), US dollar denominated corporate obligations, mortgage and asset-backed securities, zero coupons, commercial paper and other money market instruments, fixed-income securities issued by foreign governments, some of which may be issued by governments in emerging market countries and which may be denominated in either US dollars or foreign currencies, and corporate obligations of various grades of credit worthiness ranging from high to low, preferred stocks and convertible bonds, all of which may be more volatile than other bond investments and more responsive to equity market movements than interest rate changes. In addition, GIM may invest in funds or ETPs that attempt to profit from a rising interest rate environment but which have little or no yield and decline in value when interest rates fall. In addition to principal risk, income investments are subject to credit risk and interest rate changes. Risks, in some instances, include pre-payment and other risks arising from mortgage and asset backed securities.

Third Party Risk: Third parties (including without limitation, broker-dealers, registered representatives, insurance agents, investment advisers, custodians, trusts, mutual funds and insurance companies, transfer agents, solicitors, advisors and employees and agents of each of them) provide services, systems, information, programs and data upon which GIM relies and is believed to be reliable, but is unable to guarantee. As such, all trading is on a "best efforts" basis.

EXCHANGE-TRADED FUND ("ETF") RISK – ETFs are pooled investment vehicles, which may be managed or unmanaged, that generally seek to track the performance of a specific index. Although individual shares of an ETF are traded on an exchange (such as the NYSE, Amex, or NASDAQ), large blocks of shares of ETFs are redeemable at net asset value. This ability to redeem large blocks of shares has historically resulted in the market price of individual shares of ETFs being at or near the net asset value of the ETF's underlying investments. However, shares of ETFs may trade below their NAV. The NAV of shares will fluctuate with changes in the market

value of the ETF's holdings. The trading prices of shares will fluctuate in accordance with changes in NAV as well as market supply and demand. The difference between the bid price and ask price, commonly referred to as the "spread," will also vary for an ETF depending on the ETF's trading volume and market liquidity. Generally, the greater the trading volume and market liquidity, the smaller the spread is and vice versa. Any of these factors may lead to an ETF's shares trading at a premium or a discount to NAV.

EXCHANGE-TRADED NOTES RISK – Exchange-traded Notes (ETNs) are a type of unsecured, unsubordinated debt security that have characteristics and risks similar to those of fixed-income securities and trade on a major exchange similar to shares of exchange-traded funds. However, this type of debt security differs from other types of bonds and notes because ETN returns are based upon the performance of a market index minus applicable fees, no period coupon payments are distributed, and no principal protections exists. The purpose of ETNs is to create a type of security that combines both the aspects of bonds and exchange-traded funds (ETFs). The value of an ETN may be influenced by time to maturity, level of supply and demand for the ETN, volatility and lack of liquidity in underlying commodities or securities markets, changes in the applicable interest rates, changes in the issuer's credit rating and economic, legal, political or geographic events that affect the referenced commodity or security.

Other Risk Considerations: Some of GIM's Models involve above-average portfolio turnover which could negatively impact upon the net after-tax gain or loss experienced by an individual client in a taxable account. Clients should be aware that the Internal Revenue Service has taken a position in at least one private letter ruling that payments of advisory fees directly from a variable annuity (as opposed to variable annuity which is part of a tax-qualified plan) constitute taxable distributions to the owner of the contract. Many insurers issue Forms 1099 each year, in ordinary course, reflecting the advisory fees paid from the annuity. In the event the IRS is successful in establishing the fee payment as a distribution, the contract owner would be taxable for federal income tax purposes on the amount and might also incur interest, a 10% early distribution penalty if the owner is

under age 59 1/2, and additional costs. Clients are urged to consult their own tax advisers.

DISCIPLINARY INFORMATION

Our firm and its employees face no legal or disciplinary proceedings that would be relevant to clients' or prospective clients' evaluation of us.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Activities

GIM currently provides impersonal advisory services through non-exclusive licenses granted to independent companies to offer our investment strategies to its clients through their investment management programs.

Affiliations

GIM and its management personnel are not affiliated with any other financial institution including banks and broker-dealers.

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

Code of Ethics

We follow a Code of Ethics describing a high standard of business conduct and fiduciary duty to you, to be followed by all our employees. This Code includes guidelines relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts as well as personal trading procedures. All GIM employees must acknowledge and comply with this code and all applicable laws and regulations governing investment advisors.

We anticipate that, in appropriate circumstances and consistent with your objectives, it may sometimes occur that we recommend to you the purchase or sale of investments that we, our affiliates or other clients already have a position in. Subject to the Code of Ethics and any applicable laws, our employees, officers and directors may themselves invest in securities we also recommend to clients. Our Code helps ensure that this does not interfere with our making decisions in your best interest and successfully implementing those decisions.

Some types of investments are exempt from the Code based on a determination that these would not materially interfere with the best interest of clients. In other cases, the Code may require pre-clearance of transactions and restrict trading in close proximity to client trading activity. Nonetheless, because the Code permits employees to invest in the same securities as clients in some circumstances, there is a possibility that employees could benefit from market activity by your account. So employee trading is monitored to reasonably prevent conflicts of interest between us and our clients.

Some affiliated accounts may also trade in the same investments with client accounts on an aggregated basis when consistent with our obligation of best execution. In these cases, the affiliated and client accounts share commission costs on a pro rata basis and receive the investments at a total average price. We retain record of the trade order (specifying each participating account) and its allocation, to be completed prior to the entry of the aggregated order. We allocate completed orders as specified in the initial trade order. We allocate partially filled orders on a pro rata basis. Any exceptions will be explained on the order. In the event of a partial fill of an order, if Green Investment deviates from our stated allocation methodology, related and proprietary accounts will not be filled until all client accounts have received the appropriate allocation. For a full copy of our Code of Ethics, contact Byron Green at (800)-950-8004 ext. 104 .

BROKERAGE PRACTICES

Directed Brokerage and Soft Dollars

GIM has a fiduciary duty to achieve best execution when it places trades with broker-dealers. GIM will attempt to achieve best executions for you so that your total costs or proceeds in a transaction are the most favorable under the circumstances. Our business model is such that you choose your custodian and broker-dealer depending upon the investment program you select. Brokerage choices and program attributes are outlined in the Form ADV Part 2A. From time to time an investment advisor may instruct us to use a specific broker-dealer for managing their customers. If a sufficient trading system can be established with that broker-dealer we will honor the advisors' choice. In these situations, we are not ensuring best execution,

but we will look at the full range and quality of a broker's services in placing brokerage including, among other things, the value of research provided as well as execution capability, commission rate, financial responsibility and responsiveness to the money manager. It will be the Advisor's responsibility to disclose this information to the client. In the course of establishing a trading system with a new broker-dealer requested by an advisor we may receive certain software and or access to research services - we are not recommending this broker-dealer to any other clients and are not ensuring best execution so we do not treat these services as soft dollars.

GIM is a money manager who has formed relationships with banks, trust companies and broker-dealers to offer management services. The nature of GIM's business is that in the process of managing customer accounts we purchase and sell annuity subaccounts held within an insurance company product, or we purchase and sell mutual funds, exchange traded funds and/or exchange traded notes through two primary custodians. Great time, effort and due diligence was expended in the process of selecting both TD Ameritrade and Trust Company of America (TCA) to serve in that role. We generally find it easier to work with Trust Company of America (TCA) for most of our customers because of TCA's superior software capabilities to facilitate the use of multiple models or strategies within one customer account. The choice of TCA may result in simplifying both the number of accounts and the paperwork required from customers that desire a multiple strategy portfolio. Therefore, we generally direct clients to use TCA's services if they wish to open a new account with us, but we believe our clients receive competitive rates, comparable execution and similar custodial services from each custodian. Attached to this section are outlines of the criteria we used in both our selection process and for our periodic reviews.

In most cases both TCA and TDA require customers to pay 25 basis points of the value of their account annually, which covers all transaction costs and custody of assets. This fee is capped at a maximum of \$1,000 per year at TDA and \$2,000 at TCA. These fees are comparable because TDA charges this per each allocation Model the client may own, while TCA charges this only per account, which may hold multiple

allocation Models. This fee is charged directly by TD Ameritrade and TCA and the customer pays this fee directly to these custodians.

Mutual funds are purchased at NAV and generally class A shares or institutional shares are purchased. It is our intention to provide best execution by monitoring the services provided by selected custodians, and to monitor competitive custodians for services and pricing not currently available to our clients. The monitoring will consist of the Compliance Department, the Director of Operations and the Director of Marketing discussing on an annual basis the current level of services provided and reviewing the criteria and original reasons outlined in the attachment for working with a particular custodian for current accuracy. In addition, the Compliance Department, as part of an internal audit of all trading procedures, will randomly audit the trading activity quarterly for accuracy, correct pricing, and overall efficiency. Particular attention will be paid to ETF transactions.

Factors Considered in Selecting Broker-Dealers for Client Transactions

The Company will consider the following factors, among others, when placing a trade for a client with a particular broker-dealer:

- Quality of overall execution services provided by the broker-dealer;
- Promptness of execution;
- Provide dedicated telephone lines;
- Creditworthiness and business reputation of the broker-dealer;
- Promptness and accuracy of oral, hard copy or electronic reports of execution;
- Ability and willingness to correct trade errors;
- Promptness and accuracy of confirmation statements;
- Ability to access various market centers;
- The broker-dealer's facilities, including any software or hardware provided to the adviser;
- The market where the security trades;
- Any expertise the broker-dealer may have in executing trades for the particular type of security;
- Commission charged by the broker-dealer;
- Historical commission rates of the broker-dealer;
- Reliability of the broker-dealer;

- Client referrals made by the broker-dealer to the Company;
- Ability of the broker-dealer to use ECNs to gain liquidity, price improvement, lower commission rates and anonymity;
- Reputation of the broker-dealer;
- Execution and operational capabilities of the broker-dealer and its clearing firm, and
- Financial condition of the broker-dealer

GIM will aggregate (block or bunch) trades for multiple clients in some cases when it is deemed in the best interest of all the clients and consistent with our obligation of best execution. Trade aggregation is the process of adding together trade orders to purchase and sell the same security as one large order. Green Investment Management frequently aggregates orders for administrative convenience and to reduce overall execution costs typically associated with larger orders. When Green Investment Management aggregates a trade order, the order is allocated to the various accounts/clients participating in the aggregated trade. GIM will ensure that any aggregated trade meets all required criteria prior to placing the trade. Documentation regarding the appropriateness of each blocked trade will be maintained by the Director of Operations and reviewed on an on-going basis by the Compliance Department.

Some affiliated accounts may also trade in the same investments with client accounts on an aggregated basis when consistent with our obligation of best execution. In these cases, the affiliated and client accounts share commission costs on a pro rata basis and receive the investments at a total average price. We retain record of the trade order (specifying each participating account) and its allocation, to be completed prior to the entry of the aggregated order. We allocate completed orders as specified in the initial trade order. We allocate partially filled orders on a pro rata basis. Any exceptions will be explained on the order. In the event of a partial fill of an order, if Green Investment deviates from our stated allocation methodology, related and proprietary accounts will not be filled until all client accounts have received the appropriate allocation.

Trade Rotation Policies - Equity trades are aggregated based on a fair and equitable method of allocating trades among accounts with no

particular client or group of clients being favored. Depending on the number of shares traded, the different custodians or program sponsors may participate in a trade rotation process. The trade rotation process provides objective preference to the custodians at the top of the rotation list by submitting trades (or in some cases submitting new model targets) for each Custodian in sequence starting with a different custodian on each series of block trades. The starting custodian then moves down one position on the rotation list at the start of each new trading day (every business day that is not a NYSE holiday). The submission process for each custodian is done in an efficient timely manner. Accounts in an aggregated transaction will receive the same average price per share; noting that trades are aggregated with each custodian separately, therefore, clients in different wrap fee programs may receive different execution prices for transactions in the same security. We utilize a trade rotation policy to prevent any single client or group of clients from consistently trading first or last. In the event that a trade is unable to be executed or submitted to a specific custodian in the rotation due to a trading cut-off limitation or other situation outside GIM's control (such as issues with the Custodian's software or websites used to enter orders or targets), GIM may be unable to submit orders for such accounts at the time and would move to the next custodian in the rotation schedule.

Reviewing Transactions and Prices

As outlined above, as part of an internal audit of all trading practices, the Compliance Department will review a random selection of trades chosen from the quarterly trading activity report and will look for such things as accuracy, efficiency, correct pricing, comparable pricing (ETF), and commission charged (if any).

Conflicts of Interests

When selecting broker-dealers to execute client trades, the Company will be sensitive to the following conflicts of interest, and where necessary, will address such conflicts by disclosure, client consent or other appropriate action:

- Receiving client referrals from a broker-dealer.

REVIEW OF ACCOUNTS

Managed Account Reviews

Our portfolio managers monitor the investment markets and the economy on an ongoing basis. Based on changes in the economic and market outlook as well as any changes in the client's stated priorities, goals and objectives, your portfolio may need to be reallocated or rebalanced at any given time. So any material event in the markets or the economy can trigger a change in your portfolio. Portfolio accounting software enables our staff to monitor the effects of market changes on your investments and to reallocate within the tolerances of the investment Models involved.

Account Reporting

In addition to statements sent to you by your account Custodian (TDA, TCA, etc.), you will receive a quarterly report from GIM for GIM Legacy accounts. For Portfolio-Designs you will receive notice by email letting you know your account statement is available online. This will provide the current status of your account(s) and its performance for the most recent period, year-to-date and since inception. We also send you a quarterly "Market Commentary" newsletter that gives an overview of the latest economic and investment market conditions and our outlook.

Annually, we send out our Privacy Policy which states that we do not disclose nonpublic personal information about you with any other party unless (1) we receive your prior written consent, (2) we believe the recipient is you or your authorized representative, (3) the recipient is a financial service provider who requires that information to provide products or services to you under our programs, or (4) we are required by law to release the information to the recipient.

Upon request, you may also receive an annual Cost Basis Report from us or your Custodian to assist you in computing capital gains and losses for tax purposes. Our disclosures can be found online at www.gimlink.com.

CLIENT REFERRALS AND OTHER COMPENSATION

Additional Compensation - Certain mutual funds pay a portion of their management fee or Rule 12b-1 fees to Custodian, an affiliate of the Custodian, or an Investment Advisor

Representative. GIM does not share in 12b-1 fees, if any, charged by the fund. Since such payments are made to Custodian, its affiliates, or an Investment Advisor Representative by a mutual fund based on the amount of assets invested in the mutual fund by GIM, we may face a potential conflict of interest in determining whether or not to invest or maintain an investment in each mutual fund. Additionally, Custodian may receive Rule 12b-1 fees and/or other fees on money market mutual funds or other interest bearing accounts that it makes available to Client. Such payments may serve to reduce the fees that Custodian charges GIM for account custodial and/or transaction services, producing a potential conflict of interest. Certain mutual funds charge redemption fees for redeeming fund shares. Redemption fees are deducted directly from the redemption proceeds and as such are a direct expense to you. GIM does not receive any portion of these redemption fees.

GIM has entered into agreements with certain funds to waive redemption fees in some circumstances. However this does not guarantee that all redemption fees will be waived. Manager selects funds for Clients based on a number of criteria, including the fund's willingness to waive redemption fees.

Transactions in mutual fund shares or variable annuities may be subject to payment of commissions and other transaction costs as may be imposed by the funds, their distributors, or by broker-dealers through which such transactions are placed. Moreover, ongoing compensation in the form of "trail commissions", asset based distribution fees, or

"12b-1 fees", may be paid to such distributors or dealers with respect to investments held by you. Commissions paid with respect to investments purchased by Client directly at a specific mutual fund family or variable annuity company are not negotiable and GIM has no responsibility to negotiate such commissions. GIM may receive other types of ongoing compensation in addition to management fees in the form of shareholder service expenses that are not included in the "Distribution [and/or Service] (12b-1) Fees" category; custodial expenses; legal expenses; accounting expenses; transfer agent expenses; and other administrative expenses, all of which may cause a potential conflict of interest. Some of

these fees may be paid to GIM from the Outside Strategists in the Portfolio-Designs program.

GIM has an agreement with National Financial Partners, ("NFP") whereas certain individuals affiliated with NFP under Rule 206(4)-3(a)(2)(ii) as Investment Advisor Representatives offer GIM's investment management services. GIM may compensate NFP for providing Investment Advisor Representative services on behalf of GIM and Clients pay no more for GIM's services as a result.

GIM also has an agreement with the Alliance of Independent Broker-Dealers, ("AIBD"). GIM may compensate AIBD directly for continued membership and access to its members. GIM may compensate unaffiliated third parties as reimbursement for marketing expenses. Such third parties may be broker-dealers for the benefit of their representatives.

GIM has agreements with both investment advisory and broker-dealer firms that permit qualified persons ("Solicitors") to solicit Clients for GIM's Legacy program. Such firms may be compensated for referring Clients to GIM. GIM compensates the Solicitor's firm by payment of a portion of the management fee received by GIM with respect to Accounts referred to GIM by Solicitors. The management fee (and all other fees) to the Client will be the same as the fees of other Clients in the GIM Legacy program regardless of whether a Solicitor receives a share of the management fee.

Accordingly, this referral fee does not cause Clients to pay any additional fees. Written agreements between GIM and Representatives (solicitors) must comply with Rule 206(4)-3 under the Investment Advisers Act of 1940. In any case in which Client has been referred to GIM pursuant to such an arrangement, the relationship between GIM and the Representative, including the nature and the amount of any compensation paid by GIM to the Representative, will be disclosed in writing to Client.

In cases when GIM has entered into a referral fee arrangement directly with an individual Solicitor (not acting on behalf of a firm) to offer the GIM Legacy program, the above described referral fees are paid directly to the individual Solicitor. GIM's services may be marketed directly by officers or employees of GIM.

Officers or employees of GIM may receive a referral fee that represents a portion of the management fee. Solicitors and their firms have a financial interest in the selection of GIM to the extent they receive referral fees.

GIM has agreements with some registered investment advisors and their representatives (collectively called "Advisor") who refer Clients to the GIM Legacy program without receiving a Solicitor's fee and agree to provide substantial services to such Clients on behalf of Manager. In these cases, GIM will offer its service to such Clients at a reduced rate from GIM's regular basic fee schedule. By written agreement between Advisor and GIM, Advisor has agreed to charge such Clients for its separate services that it provides to them. The Advisor will have the exclusive right to determine the advisory fees ("Advisor's Fee") it will charge for this service. The Advisor's Fee schedule will be provided to Clients, as Schedule C, by Advisor on or before Clients execute GIM's Joint Services Agreement. Advisor agrees to provide at least the following services to Clients in exchange for its advisory fee: (1) be responsible for assisting Clients in determining the most appropriate Custodian and Model for them based on their investment goals, risk tolerance, limitations and financial circumstances and providing GIM with that information, (2) contact Clients at least annually to determine whether their financial situations, investment objectives, or instructions have changed and inform GIM of such changes, (3) be reasonably available to consult with Clients, as they request consultation, (4) periodically monitor and review the performance and risk parameters of the Models chosen by Clients and notify them of any recommended changes that may be indicated, and (5) provide Clients a copy of GIM's and Advisor's Form ADV Part II (or other written disclosure statement complying with Section 275.204.1(b) under the Investment Advisors Act of 1940) on or before execution of GIM's Joint Services Agreement and annually thereafter.

Advisor may provide any additional services that it deems appropriate for Clients, including investment management consulting services or financial planning services. GIM acknowledges and agrees that it will not be entitled to any compensation or benefit from any of these

additional services provided by the Advisor. Advisors and their Representatives have a financial interest in the selection of GIM to the extent they receive advisory fees collected by GIM.

GIM has agreements with some Advisors who refer Clients to the Portfolio-Designs program and agree to provide substantial services to these Clients on behalf of GIM. By written agreement between Advisor and GIM, Advisor has agreed to charge these Clients for its separate services that it provides to them. The Advisor will have the exclusive right to determine the advisory fees ("Advisor's Fee") it will charge for this service. The Advisor's Fee schedule will be provided to Clients, as Schedule C, by Advisor on or before Clients execute the Portfolio-Designs Program Agreement. Advisor agrees to provide at least the following services to Clients in exchange for its advisory fee: (1) be responsible for assisting Clients in determining the most appropriate Strategist(s) and Model(s) for them based on their investment goals, risk tolerance, limitations and financial circumstances and providing GIM with that information, (2) contact Clients at least annually to determine whether their financial situations, investment objectives, or instructions have changed and inform GIM of such changes, (3) be reasonably available to consult with Clients, as they request consultation, (4) periodically monitor and review the performance and risk parameters of the Models chosen by Clients and notify them of any recommended changes that may be indicated, and (5) provide Clients a copy of GIM's and Advisor's Form ADV Part II (or other written disclosure statement complying with Section 275.204.1(b) under the Investment Advisors Act of 1940) on or before execution of the Portfolio-Designs Program Agreement and annually thereafter.

Advisor may provide any additional services that it deems appropriate for Clients, including investment management consulting services or financial planning services. Manager acknowledges and agrees that it shall not be entitled to any compensation or benefit from any of these additional services provided by Advisor. Advisors and their Representatives have a financial interest in the selection of GIM

to the extent they receive advisory fees collected by GIM.

In some cases, Registered Investment Advisors (RIA) that offer GIM's Portfolio-Designs program to their clients have a separate agreement with GIM whereby they receive compensation in the form of a share of GIM's management fees. We pay this to the RIA for providing us access to their representatives and for providing marketing assistance on behalf of GIM. As a client you pay no more for our services as a result of this compensation; however it could cause a conflict of interest.

In cases when GIM has an agreement with other registered investment advisory firms, you may be required to pay additional asset based fees to another advisor (as outlined below, and in Schedule C to GIM's Legacy or Portfolio-Designs advisory agreements). You may pay less or more than other clients receiving the same services. By written agreement between Advisor and GIM, Advisor has agreed to charge such Clients for its separate services that it provides to them. The Advisor will have the exclusive right to determine the advisory fees ("Advisor's Fee") it will charge for this service. The Advisor's Fee schedule will be provided to you, if applicable, as Schedule C, by your Advisor on or before you execute GIM's Legacy or Portfolio-Designs advisory agreement. The services that your Advisor provides in exchange for the Advisor's Fee is detailed more completely under Item 13. These fees will be payable quarterly in advance of GIM's service based on your Account values on the last day of the preceding calendar quarter. GIM will collect its management fee or the Program Manager's fee and your Advisors' Fee (if applicable) from you and, if applicable, make payment to your Advisor shortly thereafter. Collected but unearned fees are refundable to you on a pro-rata basis if GIM's Legacy or Portfolio-Designs advisory agreement is terminated by any party to the agreement. Commissions, if and when applicable, are not advisory fees and may not be refunded. No billing adjustment shall be made for interim market fluctuations; however, GIM shall adjust the billing with regard to material interim additions or withdrawals from your Account.

GIM may enter into sub-advisory relationships with Investment Advisors to provide Models or

management advice at reduced rates based on the Advisor's willingness to accept responsibility for reporting, billing and/or customer service issues that GIM would ordinarily provide.

CUSTODY

Account Statements

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains the client's investment assets. We urge all clients to carefully review these statements and compare them to account statements received from GIM. Our statements can vary from custodial statements due to accounting procedures, reporting dates or valuation methodologies used for specific investments. Please contact us with any questions as to variances.

Under both the GIM Legacy Program and the Portfolio-Designs Program, payment of GIM's management fee or Program Manager fee and Advisor Fee (if applicable) to GIM may be made by a qualified custodian only when the following criteria are met: 1) Client funds are held at a qualified custodian, 2) The Client has provided written authorization to GIM permitting the fees to be paid directly from their Account, 3) The qualified custodian sends at least a quarterly statement to Client showing the advisory fees paid directly to GIM as well as any other disbursements from the Account.

The qualified custodian will not verify the accuracy of GIM's management fees, Program Manager's fees or Advisor's fees (if applicable) calculations; therefore it is the Client's responsibility to verify that GIM has computed such fees correctly. Because GIM deducts fees directly from Client's accounts, the SEC deems GIM to have custody of Client funds, but Client assets will at all times be held by the qualified custodian selected by the Client.

INVESTMENT DISCRETION

Discretionary Authority for Trading

For accounts custodied at TDA or TCA, GIM has full discretion to determine which securities are to be bought or sold within your Account. However, this discretion is subject to specific restrictions imposed by you in writing to us and upon which investment program is selected, GIM

Legacy or Portfolio-Designs, and which Model is chosen. For other Custodians, GIM has discretion to determine which mutual funds or variable accounts are to be bought or sold within a specific mutual fund family or variable annuity product that has been previously designated by you. However, this discretion is subject to specific restrictions imposed by you in writing to GIM and upon the type of Allocation chosen.

Subject to the size of the account, specific restrictions imposed by you in writing to us and based upon the Model chosen, GIM has full authority to determine the amount of the securities to be bought or sold. You have the right to request that we refrain from purchasing certain types of securities. GIM is willing to accept such limitations on its investment discretion. However, the Custodian may treat this type of account as a retail account and as such charge you additional custodial fees.

In the case of GIM Legacy accounts custodied at TDA or TCA, Clients authorize GIM to establish a custodial account for the Client's benefit with TD Ameritrade or Trust Company of America.

Portfolio-Designs accounts will be custodied at TCA and Clients authorize GIM to establish a custodial account for the Client's benefit with Trust Company of America.

Clients with GIM Legacy accounts or with Portfolio-Designs accounts authorize GIM to

change the Custodian to any qualified custodian bank or trust company or broker-dealer selected by GIM upon 30 days written notice from GIM. A conflict of interest may exist in the selection of a Custodian to use and are detailed under the "Client Referrals and Other Compensation" sub-heading above. At no time may GIM withdraw funds to itself or another third party, with the exception of management or advisory fees.

VOTING CLIENT SECURITIES

Proxy Votes

We do not have the authority to vote proxies on your behalf as a client. You are responsible for receiving and voting your own. You are entitled to receive a copy of the Prospectus for each mutual fund, and confirmations of each security purchased and sold for your Account (either separately or as part of the periodic custodial statement) and copies of all annual and periodic reports issued by the mutual funds your Account

holds. You retain the right to receive shareholder materials if your Account is invested in mutual funds, ETPs or Variable Annuities or in any non-managed Account. In addition, you retain all rights of ownership, including, all voting power and other rights as a security holder in each of the funds held in your Account. Variable annuity sub-accounts will be held pursuant to the terms and conditions contained in a variable annuity Prospectus delivered to you by the specific variable annuity issuer.

Upon request, we may provide you with advice regarding the voting of your proxies.

FINANCIAL INFORMATION

Financial Condition

We face no financial conditions likely to impair our ability to meet contractual or fiduciary commitments to our clients, nor has GIM ever been the subject of a bankruptcy proceeding. A balance sheet is not required to be provided because GIM does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

OTHER RELEVANT INFORMATION

Disaster Recovery

In the event of a significant business disruption, GIM has developed a plan to secure the safety of its employees, protect client assets and information and work to continue essential business operations. Although no plan can provide absolute assurance that negative consequences will not ensue from a crisis or event, to the best of our knowledge, GIM has created a business recovery plan consistent with contemporary industry standards. GIM tests its disaster recovery plan once a year and makes all necessary modifications at that time.

Privacy Policy

In order to secure and protect the personal information of our clients, GIM has developed a comprehensive privacy policy designed to allow us to comply with all State and Federal law pertaining to the security and protection of client personal information. A copy of GIM's Privacy Notice is provided to each new client and to all clients annually.



GREEN INVESTMENT MANAGEMENT, INC.

Brochure Supplement

COVER PAGE

(Part 2B of Form ADV)

March 31, 2011

309 West 7th Street, Ste. 101

Fort Worth, Texas 76102

Phone: (800) 950-8004 or (817) 335-1178

www.GIMlink.com

This brochure supplement provides information about Byron D. Green, CFP that supplements the Green Investment Management, Inc. brochure. Please contact Byron D. Green, CFP if the Green Investment Management, Inc. if the brochure is not included with this supplement or if you have any questions about the contents in this supplement.

Additional information about Byron D. Green, CFP is available on the SEC's website at www.adviserinfo.sec.gov.

EDUCATION AND BUSINESS BACKGROUND

Byron D. Green, CFP, born in 1954, is president and chief portfolio manager. He graduated with honors from the University of Texas at Arlington in 1976 with a BA in Finance. In 1984, Byron combined his expertise in investment analysis, software development and his appreciation for Modern Portfolio Theory to open GIM. He is a member of the Financial Planning Association.

Business Background:

Green Investment Management, Inc. 07/1995 – Present
Rhodes Securities 03/1988 – 12/2004

The CFP designation is conferred by the Certified Financial Planner Board of Standards, Inc. To earn the credential, each CFP candidate must have a bachelor's degree (or higher) from an accredited college or University and three years of full-time personal financial planning experience. In addition, candidates must take the CFP Certification examination and complete a CFP-board registered program or hold an accepted designation, degree or license. Every two years, CFP holders must complete a minimum of 30 hours of continuing education. More information regarding the CFP can be found at <http://www.cfp.net/default.asp>.

Address: 309 West 7th Street Ste. 101
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Phone: 800-950-8004 or 817-335-1178 Ext. 107

Kirk Wimberley, born in 1975, is the Firm's operations manager. He graduated from Midwestern State University in 1998 with a BA in Business Administration, and went on to earn his MBA in 2004. He worked for State Farm Insurance 2002-2005 as a Staff Associate, and joined GIM in 2005.

Business Background:

Green Investment Management, Inc. 03/2005 – Present
State Farm Insurance 10/2002 – 02/2005
Office Depot 08/2002 – 10/2002
Herbert R. Smith 11/2001 – 06/2002
Law Office of Carl Quisenberry 08/2001 – 11/2001
Beneficial 05/2001 – 07/2001
Rent-A-Center 04/2001 – 05/2001
Beal Bank 11/2000 – 04/2001
Monte J. White & Associates 02/2000 – 11/2000
Merrill Lynch 06/1999 – 02/2000

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Jackie Green, born in 1972, is the Firm's National Relationship Manager. She graduated from Stephen F. Austin State University with a BA in Communications and Political Science. She has been with GIM since 1999 and oversees the firm's efforts to provide superior customer service to its advisors and their clients.

Business Background:

Green Investment Management, Inc. 08/1999 – Present
Elk Castle Realty Group, LLC – 08/2009 - Present

Romac International 09/1998 – 08/1999
Advanced Temporaries 01-1997 – 09/1998
Sue Palmer for State Rep 02/1996 – 11/1996

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Stephen Holmes, born in 1950, is the Firm's Executive Vice President of Sales & Marketing. He graduated from Wittenberg University with a BA in English. He has over 37 years of experience in the financial services industry with extensive domestic and international product development and marketing experience. Stephen has served as a security industry expert witness and participated in various industry organizations.

Business Background:

11/2012	PRESENT	Green Investment Management, Inc.
10/2013	Present	PatientNOW, Inc.
04/2010	11/2012	Meeder Asset Management, Inc.
11/1998	01/2010	Icon Distributors, Inc.
06/1998	10/1998	Meridian Clearing Corp.
02/1992	06/1998	Wright Investors' Service

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DISCIPLINARY INFORMATION

Byron Green, Kirk Wimberley, Stephen Holmes, and Jackie Green have no material disciplinary history to disclose.

OTHER BUSINESS ACTIVITIES

Jackie Green, the Firm's National Relationship Manager is also President of PR, Marketing and Research at Elk Castle Realty Group, LLC, a commercial, farm and ranch real estate company. This activity takes none of her time during regular business hours and comprises 0% of her annual income. Stephen Holmes, the Firm's Executive Vice President of Sales & Marketing, is also a Director of Business Development with PatientNow, Inc., a medical software development company. This activity takes approximately 4 hours of his time during regular business hours, and comprises approximately 50% of his annual income. Our other supervised persons at GIM do not participate in other business related activities.

ADDITIONAL COMPENSATION

For marketing personnel, any bonus that is based, on the number of sales, client referrals, or new accounts is considered economic benefit and therefore considered additional compensation.

SUPERVISION

Byron D. Green is the principal of GIM and supervises all employees. GIM personnel are required to follow the rules stated in our Compliance Policy Manual.