

Item 1

**Part 2A of Form ADV: *Disclosure Brochure***

**PASI Investments, LLC**

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Farmington, CT 06032

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February 10, 2014

This brochure provides information about the qualifications and business practices of PASI Investments, LLC (PASI). If you have any questions about the contents of this brochure, please contact us at (877) 313-5470 or RBliss@pasiusa.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about PASI Investments, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. PASI Investments, LLC’s CRD number is 145640.

While PASI Investments, LLC is a SEC-registered investment adviser, such registration does not imply a requisite level of skill or training.

## **Item 2    Material Changes**

The information contained in this section relates only to material changes that have occurred since the last update. We define a material change as any change that an average client would consider important to know prior to making an investment decision. The following are short summaries of the material changes that have occurred since our annual update on February 10, 2014 with regard to our services or business operations.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

To obtain our firm brochure and brochure supplements (information regarding each of our financial advisors), our Code of Ethics, or our Privacy Policy, please visit our website at [www.pasiusa.net](http://www.pasiusa.net), e-mail our Chief Compliance Officer, Randy Bliss at [rbliss@pasiusa.com](mailto:rbliss@pasiusa.com), telephone us at (877) 313-5470 or mail your request to the address below.

**PASI Investments, LLC**  
**Attn: Randy Bliss, CCO**  
**Main Office Address: 231 Farmington Avenue**  
**Farmington, CT 06032**  
**Main Phone: (877) 313-5470**

**Web Site Address: <http://www.pasiusa.net>**

### **Material Changes**

Material Change No. 1, Item 10 – Effective December 31, 2012 PASI Investments, LLC is no longer affiliated with Jim Weiss or Benefits Plus, LLC.

Material Change No. 2, Item 10 – Effective January 1, 2013 we have expanded our “Suitability” policies and procedures. “Suitability Reviews” are conducted for each recommendation give to each client. These reviews serve to reinforce our policy of always making sure that our clients understand the products and services we are recommending for them.

Material Change No. 3, Item 12 – We are pleased to announce that we have expanded our brokerage services to include Frontier Trust and John Hancock. Frontier Trust is affiliated with Ascensus, one of the largest qualified plan recordkeeping companies in the United States. John Hancock is a premier provider of plan recordkeeping and investment services to small businesses and individual across the U.S.

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## **Item 4    Advisory Business**

### **Introduction**

Our firm, PASI Investments, LLC (PASI) is a registered investment adviser with its principal place of business located in Connecticut and was formed in 2008. Listed below are the firm's three principal shareholders (i.e. those individuals controlling 25% or more of this company):

Ronald Fishman  
Randy Bliss  
David Wetsman

### **Services Offered by PASI Investments, LLC**

#### *PENSION CONSULTING AND PENSION INVESTMENT MANAGEMENT*

Our firm provides retirement plan consulting to business owners and investment advice to sponsors of 401(k) or other self-directed retirement plans. Our plans typically are either "pooled accounts" where the plan trustees make all investment decisions, or "participant directed accounts" where employees are given the ability and responsibility to direct the investment of their retirement dollars. Our goal is to provide fiduciary guidance and education to the sponsors, trustees and participants to aid them in managing their investments successfully. Clients can impose restrictions on the investments included in their plans.

Our firm also provides:

- Ongoing educational materials and recommends model investment portfolios with various allocations based on age, risk tolerance, and personal circumstances.
- Record-keeping services including comprehensive quarterly participant account statements and ongoing review of investment models and selected funds so as to maximize investment performance.
- Investment advice to individuals, particularly those approaching retirement age, or in retirement.

Working with our clients, we develop an "Investment Policy Statement" for the account.

- For pooled account clients, we recommend no-load mutual funds, corporate securities, government securities and certificates of deposit. These recommended investments will provide the investment choices and allocations necessary for you to comply with the provisions in your Investment Policy Statement.
- For participant directed accounts, we recommend a selection of no-load mutual funds from the universe of available funds. These mutual funds are categorized to represent a broad range of asset classes. We monitor the performance, management, and style changes of the funds in your plan, and make further recommendations when necessary.

For plan sponsors who have selected participant directed accounts, we will provide your plan participants information on investment basics and asset allocation. The participants will then make their

own initial and ongoing investment decisions as to allocation, fund selection, timing, etc. The nature of the topics of the information to be provided will be determined by us and you under the guidelines established in ERISA Section 404(c).

Our firm also provides participant directed accounts the option of offering PASI Model Portfolios to their plan participants. These model portfolios offer (within the plan) a selection of managed portfolios representing different allocation strategies based on factors such as age, tolerance for risk and personal circumstances. The model portfolios consist of mutual funds selected from the universe of available no-load funds with a goal of consistent investment results and maximized performance. We will recommend changes to the model portfolios according to the goals of each model (not according to the individual needs of any of the plan participants). Any changes to the model portfolios must be approved by the plan sponsor in writing.

As noted above, we will provide educational materials to your plan participants to assist them in managing their plan accounts, including determining the model portfolio that would be most suitable for their own particular investment goals and objectives. Keep in mind, however, that you, the plan sponsor, is our client, not the plan participants. We may assist participants in determining whether a model portfolio is appropriate for their goals and objectives (i.e., maximum capital appreciation, growth, income, or growth and income). These model portfolios may be preferable for less sophisticated investors who are not comfortable with the selection of the investments in their retirement accounts and may help them avoid common investment errors.

#### *INDIVIDUAL PORTFOLIO MANAGEMENT*

Our firm also provides investment advice for individuals. Account management is provided on a non-discretionary basis.

For individual clients, we recommend portfolios structured on an asset allocation basis, utilizing a broad range of asset classes. This asset allocation is determined based on the goals and risk tolerance of each individual investor. Investments choices within each asset class such as stocks, bonds, mutual funds, exchange traded funds, annuities, and certificates of deposits are provided.

Portfolios are reviewed with individual clients on a quarterly basis and are modified as goals and needs change. Clients can impose restrictions on the investments included in their portfolios.

Our firm charges a fee based on assets under management for all individual clients.

We also provide insurance products such as annuities and long-term care insurance to our individual clients. Our firm may receive commissions from the insurance companies when these products are utilized.

#### **Assets Under Management**

Our firm has approximately \$171,018,050 of assets under management as of January 1, 2014. All of the assets under management are offered on a non-discretionary basis.

## **Item 5 Fees and Compensation**

For the investment management services we will be providing you, we charge an annual fee, assessed on a quarterly basis. These fees are negotiable based on the amount of assets in your account and may range from 0.25% to 1.00%. Your specific fee is based on a number of factors such as:

- The amount of assets in the account.
- The nature and complexity of the services and reports provided.
- The number of plan participants.
- The type of retirement plan being serviced.
- Negotiations with the client.
- Other factors.

Our fees are payable quarterly in advance at the beginning of each calendar quarter based upon the total value of your account assets at the end of the previous quarter. Under no circumstances do we require or solicit payment of fees in excess of \$1,200.00 more than six months in advance of services rendered. Fees can be deducted directly from the pooled or participant accounts, or can be invoiced to the account holder.

If a client terminates our services, any pre-paid fees will be refunded on a pro-rata basis based on the termination date.

There may be other fees associated with your account that are separate and distinct from the fees that you pay to our firm. These other fees may include:

- Mutual fund expense charges (expense ratio).
- Brokerage trading fees.
- Qualified plan record keeping charges.

The mutual fund expense charges are paid directly from your account assets to the corresponding mutual fund company. Mutual fund expenses are always paid by plan participants (and are based on the mutual funds they choose to invest in). Detailed expense ratio information is included in the Prospectus for each fund. All clients should carefully review the prospectus for each fund in their account.

Record keeping charges can be paid directly by the plan sponsor or can be paid from the participant's accounts.

### **Other Services Offered by Associated Persons of PASI Investments, LLC**

Individuals of PASI are also licensed as insurance agents or brokers for various insurance companies. As such, these individual may also provide clients with the opportunity to purchase annuities and other insurance products from insurance companies and will receive customary commissions if products are purchased.

A conflict of interest exists between the interests of our associated persons who offer these insurance products and those of the advisory clients, creating an incentive for them to recommend investment products based on the compensation received through the various insurance companies, rather than on a

client's needs. However, clients are under no obligation to act upon any recommendations of our firm's associates or to effect any transactions through them if they decide to follow the recommendations.

Clients have the option to purchase insurance products recommended by PASI's associated persons through other brokers or agents not affiliated with our firm. Please refer to Item 10 of this Brochure for a more detailed explanation of how our firm handles and mitigates these conflicts of interest.

## **ERISA Accounts**

PASI is deemed to be a fiduciary to our advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ('ERISA'). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, PASI may only charge fees for investment advice about products for which our firm does not receive any commissions or 12b-1 fees.

## **Negotiability of Fees**

***Negotiability of Advisory Fees:*** Although PASI has established the aforementioned fee schedule, we retain the discretion to negotiate alternative fees and alternative fee structures on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee structure. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Our firm does not charge performance based fees.

## **Item 7 Types of Clients**

PASI provides investment consulting and investment management services to the following:

- Corporations and other legal business organizations that sponsor qualified retirement plans for their employees.
- Individuals who sponsor qualified retirement plans for themselves and/or their employees.
- Corporations and other legal business organizations that sponsor non-qualified retirement plans for their employees.
- Individuals, especially those nearing retirement, or in retirement.

For retirement plans, there is no minimum amount required in order to open and an account with PASI. For individuals, there is a \$100,000 account minimum requirement (for opening and maintaining an account).

## **Item 8    Methods of Analysis, Investment Strategies and Risk of Loss**

Our portfolio managers utilize a number of methods for analyzing and assessing the investments we recommend. The primary methods of assessment are:

1. Fundamental Analysis.
2. Mutual Fund and ETF Analysis.
3. Collaborative Research.
4. Insurance Company Rating Services.

**Fundamental Analysis.** We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

**Mutual Fund and/or ETF Analysis.** We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

**Collaborative Research.** Our firm continuously monitors investment options utilizing published and on-line resources from various sources. We will also draw on the fundamental and economic research and talent provided by the various record keeping companies and plan custodians that we work with such as:

- Fidelity Investments.
- Charles Schwab & Co.
- The Matrix Financial Group.
- Vanguard Investments.
- Dimensional Fund Advisors.
- Ascensus Record Keeping Services.
- John Hancock Retirement Plan Services.
- The 7Twelve Partners Network.



Economic cycles and market trends will also be considered in evaluating the relative values of various funds and markets.

PASI Model Portfolios are designed to be essentially fully invested at all times and will be managed with a long-term view. There are different model portfolios designed to meet the needs of different participants in view of age, resources, risk tolerance, etc. Allocation strategies in our model portfolios and fund recommendations in both our model portfolios and participant directed accounts are continuously reviewed to maximize performance.

We will provide your plan participants with a broad range of initial and ongoing training materials to help in their understanding of the investment markets, stocks and bonds and their differences, asset allocation strategies and the relationship of risk and reward in their accounts.

It is important to keep in mind that all investments have some risk of losing value. Following the prudent investment strategies and educational practices mentioned above should help you and your plan participants avoid unnecessary risk.

**Insurance Company Rating Services.** Prior to recommending any insurance products such as annuities, the provided companies are researched thoroughly to ensure that these companies have adequate resources and reserves to properly service their customers.

## **Item 9    Disciplinary Information**

The Firm is required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

We are pleased to let you know that there has never been any SEC or state regulatory body disciplinary events for our firm, our managers, or our investment representatives.

## **Item 10    Other Financial Industry Activities and Affiliations**

Our firm is affiliated with the following companies due to common ownership and/or control:

1. PASI, LLC ("PASI LLC").
2. PASI Payroll Services, LLC ("PPS").

**PASI LLC** is a third-party administration company that advises business owners and plan sponsors in the selection, design, implementation and administration of their retirement plans. The services provided include advice as to plan selection and design so as to maximize the benefits of various plans to employees and their plan sponsors. The company also provides, through contacts with third parties, all plan administration including plan valuation, tax reporting, benefit payments, loan administration and plan compliance. PASI may refer clients in need of third-party administrative services to PASI LLC. However, there are no referral fee arrangements between PASI and PASI LLC for these recommendations.

Third-party administrative services provided by PASI LLC are separate and distinct from the advisory services provided by PASI and provide for separate compensation. No PASI client is obligated to use PASI LLC for any third-party administrative services, and no client of PASI LLC is obligated to utilize

the advisory services of PASI. Sponsors or trustees of pension, profit-sharing, 401(k), IRA or other client accounts subject to the provisions of ERISA or the prohibited transaction provisions of the Internal Revenue Code are solely responsible for determining whether or not to engage the services of PASI.

**PPS** is a payroll processing company that provides full-service payroll administration to small businesses. PASI may refer clients in need of payroll processing services to PPS. However, there are no referral fee arrangements between PPS and PASI for these recommendations.

Payroll processing services provided by PPS are separate and distinct from the advisory services provided by PASI and provide for separate compensation. No PASI client is obligated to use PPS for any payroll processing services, and no client of PPS is obligated to utilize the advisory services of PASI.

**Randy Bliss** is an investment advisor representative of PASI Investments, LLC who is also licensed as an insurance agent or broker for various insurance companies. As such, Mr. Bliss may also provide clients with the opportunity to purchase annuities and other insurance products from insurance companies and will receive normal and customary commissions if products are purchased.

A conflict of interest exists between the interests of our associated persons who offer these insurance products and those of the advisory clients, creating an incentive for them to recommend insurance products based on the compensation received through the various insurance companies, rather than on a client's needs. However, clients are under no obligation to act upon any recommendations of our firm's associates or to effect any transactions through them if they decide to follow the recommendations.

Clients have the option to purchase insurance products recommended by PASI's associated persons through other brokers or agents not affiliated with our firm.

#### **Addressing Any Potential Conflict of Interest:**

Due to the above mentioned affiliations, there may be the appearance of a conflict of interest when PASI personnel make recommendations or suggestions involving our affiliated companies. To address these concerns we take the following steps with each client:

1. Disclose all relationships that have the potential to create a conflict of interest PASI and the respective client.
2. Describe the nature of the potential conflict of interest.
3. We maintain comprehensive "Suitability" policies and procedures. "Suitability Reviews" are conducted for each transaction in order to ensure that any recommendations relating to the services of these related companies was and is appropriate, suitable, and in the best interest of our clients.

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

### **Code of Ethics**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

PASI and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics, but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of this Code of Ethics is available to any client or prospective client upon request.

### **Participation in Client Transactions**

Owners of our firm, and our employees, may have an interest or position in certain investments which may also be recommended to a client. While we utilize only no-load mutual funds and corporate securities for our investment accounts, these situations may represent a conflict of interest. We have established the following procedures in order to ensure that we are fulfilling our fiduciary responsibilities:

- 1) Securities holdings of PASI or any related person(s) will be fully disclosed to any client contemplating a similar transaction.
- 2) PASI maintains a list of all securities holdings for itself, or any advisors associated with this firm.
- 3) PASI emphasizes the unrestricted right of the client to decline to implement any advice rendered.
- 4) PASI emphasizes the unrestricted right of the client to select any clearing firm, or in the case of a smaller or start-up plan, insurance group annuity carrier he/she wishes.
- 5) PASI requires that all employees act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- 6) Any individual not in observation of the above may be subject to termination.

### **Interest in Client Transactions**

Neither our firm nor any of our firm's employees have any proprietary or other interest in Client transactions other than the participation described above and the personal trading described below.

## **Item 12 Brokerage Practices**

### **Research and Other Soft Dollar Benefits**

Some research firms, brokerages and custodians offer benefits to advisory companies in return for business being directed their way. Our firm does not participate in any of these arrangements.

#### *BROKERAGE FOR CLIENT REFERRALS*

Our firm has no referral relationships with any brokerage. We do not accept client referrals from any brokerage, trading company, or custodian.

#### *DIRECTED BROKERAGE*

Because our firm does not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, our clients must let us know the broker dealer they wish to use. We do request that clients direct us to place trades through Charles Schwab & Company, Inc. ("Schwab"), Fidelity Brokerage Services LLC ("Fidelity"), Great West, Frontier Trust ("Frontier"), John Hancock, or Matrix Financial Solutions ("Matrix"), all FINRA member broker dealers. We have evaluated Schwab, Fidelity, Frontier, John Hancock and Matrix and believe that they will provide you with a blend of execution services, commission costs and professionalism that will assist us in meeting our fiduciary obligations to you.

Our firm has no financial interest in such location of accounts or execution and will strive only to reduce plan cost, wherever possible. We reserve the right to decline acceptance of any client account for which the client directs the use of a broker dealer other than Schwab, Fidelity, Great West, Frontier, John Hancock or Matrix if we believe that this choice would hinder our fiduciary duty to the client and/or our ability to service the account. In directing the use of Schwab, Fidelity, Great West, Frontier, John Hancock or Matrix, it should be understood that we do not have the authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. While we have a reasonable belief that Schwab, Fidelity, Great West, Frontier, John Hancock and Matrix are able to obtain best execution and competitive prices, we will not be independently seeking best execution price capability through other broker dealers.

Schwab, Fidelity, Great West, Frontier, John Hancock and Matrix provide our firm with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at the custodial Institution. These services are not contingent upon our firm committing any specific amount of business (assets in custody or trading commissions).

Schwab, Fidelity, Great West, Frontier, John Hancock and Matrix's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For our client accounts maintained in its custody, these firms generally do not charge separately for custody services but are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Custodial or that settle into those accounts.

These firms also make available to our firm other products and services that benefit our firm but may not directly benefit our clients' accounts. Many of these products and services are used to service all or some substantial number of our client accounts, including accounts not maintained at the specific custodian. Products and services that assist us in managing and administering our clients' accounts include software and other technology that:

- i. Provide access to client account data (such as trade confirmations and account statements);
- ii. Facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- iii. Provide research, pricing and other market data;
- iv. Facilitate payment of our fees from clients' accounts; and
- v. Assist with back-office functions, record keeping and client reporting, including electronic coordination with our practice management software.

Schwab, Fidelity, Great West, Frontier, John Hancock and Matrix make available, arrange and/or pay third-party vendors for the types of services rendered to our firm. They may also discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. Schwab, Fidelity, Great West, Frontier, John Hancock and Matrix also provide other benefits such as educational events or occasional business entertainment of our personnel.

In evaluating whether to recommend or require that clients custody their assets at Schwab, Fidelity, Great West, Frontier, John Hancock or Matrix, we take into account the availability of some of the products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by these firms, which creates a potential conflict of interest.

### **Item 13    Review of Accounts**

Our clients will have their portfolio reviewed quarterly, with a major review and client presentation at least annually. Reviews are conducted by the team of Ron Fishman and Randy Bliss, both of whom are partners of the firm.

Our PASI Model portfolios will be continuously reviewed in view of performance, management or style changes, size and cost. Your plan participants who have decided to invest in our PASI Model Portfolios can further expect periodic reviews of asset allocation percentages based on market conditions and outlook. Your plan participants will be responsible for their own regular reviews in terms of allocation, purchases, timing, etc., with PASI providing recommendations as to the funds used and their performance. We update our educational materials annually, and communicate investment results to participants quarterly. We will meet with plan sponsors at least annually and will be available at all times for questions.

Plan sponsors clients will receive a quarterly Plan Sponsor Summary pertaining to plan level asset holdings. All plan participants will receive summary statements quarterly directly from their custodian. Such statements will include fund balances, total account balances, allocation percentages, vested balances, account activity, including employee contributions and any company match. Individual clients will receive monthly account statements directly from their custodian.

## **Item 14 Client Referrals and Other Compensation**

We do not have any formal referral relationship with any individuals or organizations. We do not pay any individual or organization for referrals, nor do we provide any other form of compensation or benefits for referrals. It is also our policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide our clients.

## **Item 15 Custody**

We previously disclosed in the Fees and Compensation section (Item 5) of this brochure that our firm directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## **Item 16 Investment Discretion**

We do not have discretionary authority to determine which securities and the amounts of securities that are to be bought or sold for your account. Any changes to investments, including the PASI Model portfolios will be presented to you as a recommendation. We require your written approval prior to implementing any recommendations.

## **Item 17 Voting Client Securities**

As a matter of firm policy and practice, we do not have any authority to and do not vote proxies on your behalf. You, as the plan sponsor, retain the responsibility for receiving and voting proxies for any and all securities maintained in plan portfolio. However, we will provide advice to you regarding the voting of proxies. All proxy voting information will be sent directly to you by your custodian or transfer agent.

## **Item 18 Financial Information**

The Firm does not require or solicit payment of fees in excess of \$1,200 per client more than six months in advance of services rendered. Therefore, the Firm is not required to include a financial statement. As an advisory firm, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. PASI has no additional financial circumstances to report.

PASI has not been the subject of a bankruptcy petition at any time during the past ten years.

## **BROCHURE SUPPLEMENT**

(Part 2B of Form ADV)

Updated July 25, 2014

### ***BACKGROUND ON INVESTMENT ADVISORS***

We require our investment advisers to have a minimum of 10 years' experience in pension design and accounting and demonstrable investment industry experience. Appropriate NASAA examinations are encouraged including Series 7, 24, and 65. Here is the information about our investment advisers:

**David J. Wetsman** Born 1967

**Education:** George Washington University Law School, 1989-1992, Juris Doctor.  
University of Texas, 1985-1989, Bachelor of Arts, Sociology.

**Business Experience:** PASI Payroll Services, LLC, Member, Dec. 2010 to present.  
PASI Investments, LLC, Managing Member, Dec. 2007 to present.  
PASI, LLC, Managing Member, Dec. 2007 to present.  
Pension Administration Services, Inc., President, June 1999 to Dec. 2007.

**Disciplinary Information:** IAR David Wetsman has no reportable disciplinary history.

#### **Other Business Activities:**

1. David Wetsman is not engaged in any other investment related activities.
2. David Wetsman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**Additional Compensation:** David Wetsman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Supervision:** Randy Bliss, the Chief Compliance Officer (CCO) at PASI is David Wetsman's supervisor. Mr. Bliss can be reached at 860-284-6880.

As CCO of PASI, Mr. Bliss is responsible for all supervision, formulation, and monitoring of investment advice offered to clients. Mr. Bliss reviews and oversees all material investment policy changes and conducts periodic testing to ensure that client objectives and mandates are met.

**Randy Bliss** Born 1954

**Education:** Central Connecticut State University, 1986-1990 Master's Degree, Organizational Management.  
The American College, 1983-1986, Chartered Financial Consultant, Chartered Life Underwriter.  
University of Utah, 1975-1979, Bachelor of Science, Finance.  
Utah State University, 1972-1973.

**Business Experience:** PASI Payroll Services, LLC, Member, Dec. 2010 to present.  
PASI Investments, LLC, Insurance Agent/Broker, January 2013 to present.  
PASI Investments, LLC, Member and Chief Compliance Officer, Dec. 2007 to present.  
PASI, LLC, Member, Dec. 2007 to present.  
YHB Consulting, Inc., Officer and Stockholder, July 1992-2007.  
YHB Associates, Inc., Officer and Stockholder, Jan. 1988-2007.  
YHB Investment Advisors, Inc., Officer and Stockholder, Nov. 1989 to Dec. 2008.  
YHB Retirement Services, LLC, Officer and Stockholder, March 1998 to Nov. 2007.  
CIGNA Individual Financial Services, Producer and Registered Representative, January 1988 to March 1998.

**Disciplinary Information:** IAR Randy Bliss has no reportable disciplinary history.

**Other Business Activities:**

1. Randy Bliss is not engaged in any other investment related activities.
2. As disclosed in Item 2 above, Randy Bliss does receive commissions on the sale of investment products such as annuities, life insurance, and long term care insurance.
3. Randy Bliss is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

In connection with certain transactions noted in number 2 above, commissions may be generated in addition to the financial planning or advisory fee billed. These commissions may be higher or lower than other broker's commissions, but are believed to be reasonable and competitive. Clients are not obligated to place such transactions through our firm or to follow the investment recommendations or Mr. Bliss.

**Additional Compensation:** Randy Bliss does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Supervision:** David Wetsman, President of PASI is Randy Bliss' supervisor. Mr. Wetsman can be reached at 860-284-6880.



**Ronald J. Fishman** Born 1963

**Education:** Boston University, 1981-1985

**Business Experience:** PASI Payroll Services, LLC, Member, Dec. 2010 to present.  
PASI Investments, LLC, Member, Dec. 2007 to present.  
PASI, LLC, Member, Dec. 2007 to present.  
YHB Retirement Services, LLC, Officer and Stockholder, March 1998 to Nov. 2007.  
Pension Consultants, Inc., Partner and Consultant, January 1994 to March 1998.  
Federal Reserve Bank, Analyst, June 1988 to January 1994.  
Fidelity Investments, Institutional Sales, October 1985 to June 1988.

**Disciplinary Information:** IAR Ronald J. Fishman has no reportable disciplinary history.

**Other Business Activities:**

1. Ronald J. Fishman is not engaged in any other investment related activities.
2. Ronald J. Fishman is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of his time.

**Additional Compensation:** Ronald J. Fishman does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Supervision:** Randy Bliss, the Chief Compliance Officer (CCO) at PASI is Ronald J. Fishman's supervisor. Mr. Bliss can be reached at 860-284-6880.

As CCO of PASI, Mr. Bliss is responsible for all supervision, formulation, and monitoring of investment advice offered to clients. Mr. Bliss reviews and oversees all material investment policy changes and conducts periodic testing to ensure that client objectives and mandates are met.

**Lindsay L. Errico** Born 1982

**Education:** Eastern Connecticut State University, B.A. in Business Economics, 2004

**Business Experience:** PASI Investments, LLC, Financial Advisor, July 2014 to present.  
Melaleuca, Independent Marketing Executive, April 2014 to present.  
Morgan Stanley, Financial Advisor, March 2013 to April 2014  
Fitness Revolution Vernon CT, Admin. Consultant, Mar 2012 to Feb 2014  
Allscripts, Operations/Office Manager, February 2010 to March 2013

**Disciplinary Information:** Lindsay Errico has no reportable disciplinary history.

**Other Business Activities:**

1. Lindsay Errico is not engaged in any other investment related activities.
2. Lindsay Errico is not engaged in any other business or occupation that provides substantial compensation or involves a substantial amount of her time.

**Additional Compensation:** Lindsay Errico does not receive any economic benefit from a non-advisory client for the provision of advisory services.

**Supervision:** Randy Bliss, the Chief Compliance Officer (CCO) at PASI is Lindsay Errico's supervisor. Mr. Bliss can be reached at 860-284-6880.

As CCO of PASI, Mr. Bliss is responsible for all supervision, formulation, and monitoring of investment advice offered to clients. Mr. Bliss reviews and oversees all material investment policy changes and conducts periodic testing to ensure that client objectives and mandates are met.