

MERRYFIELD BARNES, LLC

INVESTMENT ADVISORS

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Form ADV Part 2A Appendix 1 Wrap Fee Brochure

March 25, 2014

This Wrap Fee Brochure provides information about the qualifications and business practices of Merryfield Barnes, LLC. If you have any questions about the contents of this brochure, please contact Mr. Charles Whitney Barnes Senior Vice President and Chief Compliance Officer. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Merryfield Barnes, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2. Material Changes

In this Item, Merryfield Barnes, LLC (the “Firm”) is required to discuss any material changes which have been made to the brochure since the last annual amendment. There have been no material changes since the firm filed its initial Disclosure Brochure on December 19, 2011 other than Mr. Charles Whitney Barnes was appointed Chief Compliance Officer on November 1, 2013. The date of the previous Disclosure Brochure was March 21, 2013.

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Item 4. Services, Fees, and Compensation

The Merryfield Barnes, LLC Wrap Program (the “Program”) is an investment advisory program sponsored by Merryfield Barnes, LLC. The Program provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges.

To join the Program, a client must:

- (1) Complete an investor profile that describes the client’s financial needs, investment objectives, time horizon, and risk tolerance, as well as any other factors relevant to the client’s specific financial situation and any other supporting documentation the Program requires;
- (2) Complete the investment advisory wrap fee agreement (the “*Agreement*”) with Merryfield Barnes, LLC;
- (3) Complete a new account agreement with Pershing, LLC through Pershing Investment Manager Services (“*Pershing*”), or another broker dealer Merryfield Barnes, LLC approves for participation in the Program (“*Financial Institution*”); and,
- (4) Open a securities brokerage account with the *Financial Institution* and deposit those assets designated for participation in the Program into the account.

After an analysis of any information provided by the client to Merryfield Barnes, LLC, Merryfield Barnes, LLC assists the client in developing an appropriate investment strategy for the assets in

their accounts. Thereafter, all clients are encouraged to discuss their needs, goals, and objectives with Merryfield Barnes, LLC, to keep the investment adviser representatives informed of any changes thereto. Merryfield Barnes, LLC contacts ongoing clients at least annually to review its previous services and/or recommendations and to determine whether changes should be made to their investment strategy.

Management of Your Portfolio

All clients in the Program grant, Merryfield Barnes, LLC discretionary authority to buy, sell, and otherwise trade in the type of securities described in Item 6, below for their accounts and to liquidate previously-purchased securities that the client has transferred to their Accounts. Assets are managed by the investment adviser representatives of, Merryfield Barnes, LLC.

Fees for the Program

Clients in the Program pay a single annualized fee for participation in the Program (the “Program Fee”). The *Program Fee* is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by, Merryfield Barnes, LLC under the Program on the last day of the previous quarter. The *Program Fee* varies depending upon the type of investments and the market value of the assets under management and the services provided. Merryfield Barnes LLC primarily allocates client assets among equities, ETFs, options and fixed income investments based upon the following fee schedules:

PORTFOLIO VALUE	BASE FEE Equities, ETFs, Options	Fixed Income*
Up to \$500,000	3.00%	1.75%
\$500,001 - \$1,000,000	1.50%	1.50%
\$1,000,001 - \$10,000,000	1.00%	1.00%
Above \$10,000,000	Negotiable	Negotiable

**Not all fixed income products will be invested through the Program. Fixed income products in the Program typically include investment grade bonds, corporate debt and government bonds. The Program fee for a portfolio made exclusively of U.S. government bonds will usually be 0.50%.*

The fee schedules for Merryfield Barnes, LLC mutual funds recommendations are as follows:

Mutual Funds:

PORTFOLIO VALUE	BASE FEE
Up to \$1,000,000	1.50%
Above \$1,000,000	1.25%

Fixed Income Mutual Funds:

PORTFOLIO VALUE	BASE FEE Fixed Income Mutual Funds**
\$25,000 - \$500,000	0.50% to 1.00%
Above \$500,000	0.50%

***The Program fee for investments in fixed income mutual funds varies depending on the assets under management and services provided. Fixed income mutual funds consist primarily of large municipal bond funds.*

Merryfield Barnes LLC, in its sole discretion, may negotiate to charge a lesser *Program Fee* based upon certain criteria (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, *pro bono* activities, etc.).

Fee Comparison

Under the Program, clients receive both investment advisory services and the execution of transactions for a single, combined annualized fee, the *Program Fee*. Participation in the Program may cost the client more or less than purchasing such services separately. The number of transactions made in the client's accounts, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The *Program Fee* may be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

Other Charges

Clients may incur certain charges imposed by third parties in addition to the *Program Fee* such as charges imposed directly by a mutual fund or exchange-traded fund ("ETF") in the account, which is disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Item 5. Account Requirements and Types of Clients

The Program participants include individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities.

Minimum Account Size

Merryfield Barnes, LLC imposes a minimum portfolio size of \$25,000 for investments in the Program's fixed income mutual funds.

Item 6. Portfolio Manager Selection and Evaluation

Merryfield Barnes, LLC acts as the sole sponsor and portfolio manager to the Program.

Advisory Business

The Program provides clients with, among other things, the ability to trade in equities, ETFs, managed futures and mutual funds without incurring separate brokerage commissions or transaction charges. The Program also includes a suite of services such as extensive research, financial planning, and consulting and discretionary money management.

Performance-Based Fees and Side-by-Side Management

Merryfield Barnes, LLC does not provide any services for performance-based fees. Performance-based fees are those based on a share of capital gains on or capital appreciation of the assets of a client. Methods of Analysis, Investment Strategies and Risk of Loss (see Item 8A of Disclosure Brochure)

Merryfield Barnes, LLC primary methods of analysis are fundamental, technical and cyclical analysis.

Fundamental analysis involves the fundamental financial condition and competitive position of a company. Merryfield Barnes, LLC will analyze the financial condition, capabilities of management, earnings, new products and services, as well as the company's markets and position amongst its competitors in order to determine the recommendations made to clients. The primary risk in using fundamental analysis is that while the overall health and position of a company may be good, market conditions may negatively impact the security.

Technical analysis involves the analysis of past market data rather than specific company data in determining the recommendations made to clients. Technical analysis may involve the use of charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. The primary risk in using technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that Merryfield Barnes, LLC will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company that, Merryfield Barnes, LLC is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Investment Strategies

Merryfield Barnes, LLC develops individual investment strategies based upon each client's specific risk profile and investment objectives. Merryfield Barnes, LLC primarily employs a multi-capitalization investment strategy by investing clients' investment management assets across a wide range of market capitalizations. In doing so, Merryfield Barnes, LLC focuses on companies with value and growth orientations that are located within both the domestic and/or the international markets.

Risks of Loss

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Options

Options allow investors to buy or sell a security at a contracted "strike" price (not necessarily the current market price) at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Market Risks

The profitability of a significant portion of Merryfield Barnes, LLC recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that Merryfield Barnes, LLC will be able to predict those price movements accurately.

Use of Private Collective Investment Vehicles

Merryfield Barnes, LLC may recommend the investment by certain clients in privately placed collective investment vehicles (some of which may be typically called "hedge funds"). The managers of these vehicles will have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and

no requirement to diversify. The hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies. There are numerous other risks in investing in these securities. The client will receive a private placement memorandum and/or other documents explaining such risks.

General Risk of Loss

Investing in securities involves the risk of loss. Clients should be prepared to bear such loss.

Voting of Client Securities

Merryfield Barnes, LLC may vote client securities (proxies) on behalf of its clients. When Merryfield Barnes, LLC accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are fully-described in the Merryfield Barnes, LLC's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in its Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Merryfield Barnes, LLC to request information about how Merryfield Barnes, LLC voted proxies for that client's securities or to get a copy of Merryfield Barnes, LLC Proxy Voting Policies and Procedures. A brief summary of Merryfield Barnes, LLC Proxy Voting Policies and Procedures is as follows:

- Merryfield Barnes, LLC has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will generally vote proxies according to the Merryfield Barnes, LLC's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, Merryfield Barnes, LLC devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Merryfield Barnes, LLC to vote on a particular solicitation but can revoke the Merryfield Barnes, LLC's authority to vote proxies.

In situations where there may be a conflict of interest in the voting of proxies due to business or personal relationships that Merryfield Barnes, LLC maintains with persons having an interest in the outcome of certain votes, Merryfield Barnes, LLC takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such conflict.

Item 7. Client Information Provided to Portfolio Managers

As stated above, Merryfield Barnes, LLC acts as the sole sponsor and portfolio manager to the Program.

Item 8. Client Contact with Portfolio Managers

There are no restrictions on a clients' ability to contact and consult with Merryfield Barnes, LLC.

Item 9. Additional Information

Disciplinary Information

Merryfield Barnes LLC is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. Merryfield Barnes, LLC does not have any required disclosures to this Item.

Other Financial Industry Activities and Affiliations

Merryfield Barnes, LLC, is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. Merryfield Barnes, LLC does not have any required disclosures to this Item.

Code of Ethics

Merryfield Barnes, LLC and persons associated with Merryfield Barnes, LLC ("Supervised or Access Persons") are permitted to buy or sell securities that it also recommends to clients consistent with the Merryfield Barnes, LLC's policies and procedures.

Merryfield Barnes, LLC has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). In accordance with Section 204A of the Investment Advisers Act of 1940 (the "Advisers Act"), its *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by Merryfield Barnes, LLC or any of its associated persons.

The *Code of Ethics* also requires that certain of Merryfield Barnes, LLC's Supervised or Access Persons report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in, Merryfield Barnes, LLC *Code of Ethics*, none of the Firm's Supervised or Access *Persons* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Supervised or Access *Person*) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of the Merryfield Barnes, LLC's clients.

When Merryfield Barnes, LLC, LLC is purchasing or considering for purchase any security on behalf of a client, no Supervised or *Access Person* may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when Merryfield Barnes, LLC is selling or considering the sale of any security

on behalf of a client, no Supervised or *Access Person* may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact Merryfield Barnes, LLC to request a copy of its *Code of Ethics*.

Review of Accounts and General Reports

Merryfield Barnes, LLC monitors portfolios in the Program as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by one of the Merryfield Barnes, LLC's investment adviser representatives. All clients in the Program are encouraged to discuss their needs, goals, and objectives with Merryfield Barnes, LLC and to keep their advisor informed of any changes thereto. Merryfield Barnes, LLC contacts ongoing clients in the Program at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Clients will also receive a report from Merryfield Barnes, LLC that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance on a quarterly basis. Clients should compare the account statements they receive from their custodian with those they receive from Merryfield Barnes, LLC. Account statements prepared by the custodian shall serve as the official statement of account holdings and related information.

Client Referrals and Other Compensation

Merryfield Barnes, LLC is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. In addition, Merryfield Barnes, LLC is required to disclose any direct or indirect compensation that it provides for client referrals. Merryfield Barnes, LLC does not have any required disclosures to this Item.

Financial Information

Merryfield Barnes, LLC does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance. In addition, Merryfield Barnes, LLC is required to disclose any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Merryfield Barnes, LLC has no disclosures pursuant to this Item.