
Form ADV Part 2A: Firm Brochure
Item 1: Cover Page
June 2015



**HORIZON WEALTH
MANAGEMENT, LLC**

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This brochure provides information about the qualifications and business practices of Horizon Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us by telephone at (708) 352-4300 or email ryan.williamson@lpl.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

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

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

Item 2: Material Changes

Horizon Wealth Management, LLC is required to advise you of any material changes to the Firm Brochure ("Brochure") from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure.

Since our annual update filed on 02/27/2015, the following material changes have been made:

1. We no longer offer our Asset Management service on a Non-Wrap Fee basis.
2. We revised Item 8 to disclose that we generally manage client accounts according to asset allocation models.

Item 3: Table of Contents

<u>Section:</u>	<u>Page(s):</u>
Item 1: Cover Page.....	1
Item 2: Material Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 5: Fees & Compensation	6
Item 6: Performance-Based Fees & Side-By-Side Management	7
Item 7: Types of Clients & Account Requirements	8
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss	8
Item 9: Disciplinary Information.....	11
Item 10: Other Financial Industry Activities & Affiliations.....	11
Item 11: Code of Ethics, Participation or Interest in Client Transactions & Personal Trading.....	12
Item 12: Brokerage Practices	13
Item 13: Review of Accounts or Financial Plans.....	14
Item 14: Client Referrals & Other Compensation	15
Item 15: Custody	17
Item 16: Investment Discretion	17
Item 17: Voting Client Securities.....	17
Item 18: Financial Information	17

Item 4: Advisory Business

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

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of Illinois. Our firm has been in business as an investment adviser since 2014 and is owned as follows:

Richard Shanley – 33% Owner
Paul Fousek – 34% Owner
Ryan Williamson – 33% Owner

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

(i) Wrap Asset Management:

We offer asset management services on a Wrap Fee basis only. Please see our separate Wrap Fee Program Brochure for complete information regarding this advisory service.

(ii) Financial Planning & Consulting:

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

Our written financial plans or financial consultations rendered to clients usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

(iii) Retirement Plan Consulting:

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

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

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

(i) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing our Wrap Asset Management service. Additionally, we offer general investment advice to clients utilizing our Financial Planning & Consulting and Retirement Plan Consulting service.

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

Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Wrap Asset Management service. We do not manage assets through our other services.

D. Participation in Wrap Fee Programs.

We offer wrap fee programs as further described in Part 2A, Appendix 1 (the "Wrap Fee Program Brochure") of our Brochure. Our wrap fee accounts are managed according to the client's investment objectives, financial goals, risk tolerance, etc. As further described in our Wrap Fee Program Brochure, we receive a portion of the wrap fee for our services.

E. Disclosure of the amount of client assets we manage on a discretionary basis and the amount of client assets we manage on a non-discretionary basis as of December 31, 2014.

We manage¹ \$191,800,000 on a discretionary basis and \$0 on a non-discretionary basis.

¹ Please note that our method for computing the amount of "client assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "client assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding

Item 5: Fees & Compensation

We are required to describe brokerage and custody fees, fund expenses, and our advisory fees so you will know how much you are charged and by whom for services provided to you.

A. Description of how we are compensated for our advisory services provided to you.

(i) Wrap Asset Management:

Please see our Wrap Fee Program Brochure.

(ii) Financial Planning & Consulting:

We charge on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee that we charge you shall be based on the scope and complexity of our engagement with you. Our hourly fees are \$300 for financial advisors, \$150 per hour for para-planners and \$75 for administrative time. Flat fees generally range from \$500 to \$2,000 and shall be negotiable based on the needs of the client.

(iii) Retirement Plan Consulting:

We charge on an hourly or flat fee basis for pension consulting services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fee is \$300. Our flat fees generally range from \$500 to \$2,000. Flat fees will be charged quarterly for ongoing pension consulting services and shall be negotiable based on the needs of the client.

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

(i) Wrap Asset Management:

Please see our Wrap Fee Program Brochure.

(ii) Financial Planning & Consulting:

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

(iii) Retirement Plan Consulting:

The fee-paying arrangements for pension consulting service will be determined on a case-by-case basis and will be detailed in the signed Retirement Plan Consulting Agreement. The client will be invoiced directly for the fees.

to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our Brochure in response to Item 4.E of Form ADV Part 2A.

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

Wrap fee clients will receive our Form ADV, Part 2A, Appendix 1 (the "Wrap Fee Program Brochure"). Wrap fee clients will not incur transaction costs for trades. More information about this is disclosed in our separate Wrap Fee Program Brochure.

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

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

- E. Commissionable Securities Sales.

We sell securities for a commission. In order to sell securities for a commission, our supervised persons are registered representatives of LPL Financial LLC, member FINRA/SIPC. Our supervised persons may accept compensation for the sale of securities or other investment products, including distribution or service ("trail") fees from the sale of mutual funds. You should be aware that the practice of accepting commissions for the sale of securities:

1. Presents a conflict of interest and gives our firm and/or our supervised persons an incentive to recommend investment products based on the compensation received. We generally address commissionable sales conflicts that arise:
 - a) when explaining to clients that commissionable securities sales creates an incentive to recommend products based on the compensation we and/or our supervised persons may earn;
 - b) when recommending commissionable mutual funds, explaining that "no-load" funds are also available.
2. In no way prohibits you from purchasing investment products recommended by us through other brokers or agents which are not affiliated with us.
3. Does not exceed more than 50% of our revenue.
4. We charge advisory fees in addition to commissions. In doing so, we reduce our advisory fees to offset the commissions our supervised persons receive.

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

We do not accept performance-based fees.

Item 7: Types of Clients & Account Requirements

We have the following types of clients:

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

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We require a minimum aggregated account balance of \$250,000 for our Wrap Asset Management service. Generally, this minimum account balance requirement is negotiable and would be required throughout the course of the client's relationship with our firm.
- We generally charge a minimum fee of \$500 for written financial plans.

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

Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

Methods of Analysis:

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting: In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

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.

Technical Analysis: We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement. Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Cyclical Analysis: In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Sentimental Analysis: This type of analysis attempts to measure and track how optimistic or pessimistic people are in current market conditions. This analysis is designed to show how a group

feels about a particular security, the overall financial markets, and/or the current economic environment, and serves as a gauge of future behaviors with investments.

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.

Investment Strategies We Use:

Our firm uses asset allocation models to meet the individual needs of the client with regards to investment objectives, risk tolerance, and time horizons among other considerations. While models are used as the foundation for managing individual client accounts, deviations from the various allocation models are implemented to accommodate specific objectives or when appropriate to the client's situation.

Each asset allocation model will use one or more of the following investment strategies to varying degrees:

- Long Term Purchases (Securities Held At Least a Year);
- Short Term Purchases (Securities Sold Within a Year);
- Trading (Securities Sold Within 30 Days);

Asset Allocation Model Categories:

Non-Retirement: The Non-Retirement strategy utilizes Mutual Funds and ETF's to attain a global asset allocation strategy. No securities are restricted and the primary holdings contain common stocks, bonds, cash, preferred stocks, convertible bonds and alternative investments. There are five models within this strategy: Aggressive Growth (100% equity), Growth (80% equity, 20% fixed income), Growth & Income (60% equity /40% fixed income), Income with Moderate Growth (40% equity /60% fixed income) and Income with Capital Preservation (20% equity /80% fixed income) allocation. The Funds and ETFs are both active and passively managed and the share class lowest in fees is always chosen. Municipal Bonds may be used in this strategy to capture tax-free income. Each model within this strategy is assigned a unique benchmark that is allocated in different weightings to the following broad asset classes: cash, international stock, large cap stocks, mid-cap stocks, small-cap stocks and bonds. The weightings of these asset classes coincide with the risk objective and overall equity/fixed income allocation of the model. Morningstar Direct is the primary source used to track allocation, historical returns, and analysis on fund selection.

Retirement: The Retirement strategy utilizes Mutual Funds and ETF's to attain a global asset allocation strategy. No securities are restricted and the primary holdings contain common stocks,

bonds, cash, preferred stocks, convertible bonds and alternative investments. There are five models within this strategy: Aggressive Growth (100% equity), Growth (80% equity, 20% fixed income), Growth & Income (60% equity /40% fixed income), Income with Moderate Growth (40% equity /60% fixed income) and Income with Capital Preservation (20% equity /80% fixed income) allocation. The Funds and ETFs are both active and passively managed and the share class lowest in fees is always chosen. Municipal Bonds will not be used in this strategy since the strategy is for tax-deferred accounts only. Each model within this strategy is assigned a unique benchmark that is allocated in different weightings to the following broad asset classes: cash, international stock, large cap stocks, mid-cap stocks, small-cap stocks and bonds. The weightings of these asset classes coincide with the risk objective and overall equity/fixed income allocation of the model. Morningstar Direct is the primary source used to track allocation, historical returns, and analysis on fund selection.

Mutual Fund: The Mutual Fund strategy is for accounts with a maximum value of \$250,000. The models within this strategy will typically have less holdings than the other HWM models and are used for smaller accounts as well as a diversifier from HWM's other models for clients with multiple accounts. These models will hold Mutual Funds only. The Mutual Funds are used to achieve a global asset allocation containing common stocks, bonds, cash, preferred stocks, convertible bonds and alternative investments. There are 10 models within this strategy; five retirement and five non-retirement. The five risk tolerances for each non-retirement and retirement are Aggressive Growth (100% equity), Growth (80% equity, 20% fixed income), Growth & Income (60% equity /40% fixed income), Income with Moderate Growth (40% equity /60% fixed income) and Income with Capital Preservation (20% equity /80% fixed income) allocation. Each model within this strategy is assigned a unique benchmark that is allocated in different weightings to the following broad asset classes: cash, international stock, large cap stocks, mid-cap stocks, small-cap stocks and bonds. Morningstar Direct is the primary source used to track allocation, historical returns, and analysis on fund selection.

Technical: The Technical strategy uses technical analysis that evaluates securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysis does not attempt to measure a security's intrinsic value, but instead uses charts and other tools to identify patterns that can suggest future activity. The investments will consist of sector-specific ETF's to capture U.S, International and Emerging market equities and cash. The core investment of this strategy will be a broad based, stock market ETF. This strategy's benchmark is the S&P 500. Investment selection is done primarily through Lowry Research and LPL Financial.

Tax Aware: The Tax Aware strategy is designed specifically for clients where taxes are a primary concern. The underlying holdings in the ETF's and Mutual Funds within this strategy may vary, but no fixed income holdings will be chosen without at least an 80% minimum requirement in municipal bond holdings. The equity holdings will contain both ETF's and Mutual Funds with an emphasis on low cost and passive management. No securities are restricted and the primary holdings contain common stocks, bonds, cash, preferred stocks, convertible bonds and alternative investments, each with their own unique benchmarks. Morningstar Direct is the primary source used to track allocation, historical returns, and analysis on fund selection.

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

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

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities & Affiliations

- A. If our firm or our management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, we must disclose this fact.

Representatives of our firm are registered representatives of LPL Financial, LLC, member FINRA/SIPC. They may offer securities and receive normal and customary commissions as a result of securities transactions. A conflict of interest may arise as these commissionable securities sales may create an incentive to recommend products based on the compensation they may earn. To minimize this conflict, our representatives will adhere to our firm's Code of Ethics and act in the best interest of the client.

- B. If our management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, we must disclose this fact.

We have determined we have nothing to disclose in this regard.

- C. Description of any relationship or arrangement that is material to our advisory business or to our clients, that we or any of our management persons have with any related person² listed below. We are required to identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how we address it.

Horizon Wealth Management, LLC maintains a relationship with two CPAs from separate accounting firms. The accounting firm may provide income tax preparation or accounting services to our advisory clients. These services are independent of our financial planning and investment advisory services and are governed under a separate engagement agreement. Clients have the option of engaging the accounting firm for tax preparation or accounting services, however we do not actively solicit clients to utilize such services.

² Our Related Persons are any advisory affiliates and any person that is under common control with our firm. Advisory Affiliate: Our advisory affiliates are (1) all of our officers, partners, or directors (or any person performing similar functions); (2) all persons directly or indirectly controlling or controlled by us; and (3) all of our current employees (other than employees performing only clerical, administrative, support or similar functions). Person: A natural person (an individual) or a company. A company includes any partnership, corporation, trust, limited liability company ("LLC"), limited liability partnership ("LLP"), sole proprietorship, or other organization.

Representatives of our firm are licensed in insurance. They may offer insurance products and receive customary fees as a result of insurance sales. A conflict of interest may arise as these insurance sales may create an incentive to recommend products based on the compensation the adviser and/or our supervised persons may earn. To minimize this conflict, our representatives will adhere to our firm's Code of Ethics and act in the best interest of the client. Additionally, clients are under no obligation to purchase insurance products from our firm's representatives.

- D. If we recommend or select other investment advisers for our clients and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

We have determined we have nothing to disclose in this regard.

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

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

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities. Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts³. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates. Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

³ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

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

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

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

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

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

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

Item 12: Brokerage Practices

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

Our firm has a non-soft-dollar arrangement with LPL Financial under which we receive non-soft-dollar services such as research and administrative functions including portfolio pricing, account statement generation and fee calculations, which are intended to support our firm in conducting business and in serving the best interests of our clients. These services do not incentivize us to recommend LPL Financial. Our recommendation of LPL Financial to our clients is based on our clients' interests in receiving best execution and the level of competitive, professional services LPL Financial provides. Our firm does not receive client brokerage commissions (or markups or markdowns) to obtain research or other products or services. We do not receive soft dollars, products or services acquired with client brokerage commissions.

Our firm does not receive brokerage for client referrals. We do not allow client-directed brokerage, as trades in our clients' accounts are executed through LPL Financial, a qualified custodian and broker-dealer; neither do we direct client transactions to LPL Financial in return for soft-dollar benefits.

Special Considerations for ERISA Clients

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

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

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

Item 13: Review of Accounts or Financial Plans

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

We formally review accounts on a semiannual basis for clients subscribing to our Wrap Asset Management service. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers conduct reviews.

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

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

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

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

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

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we contact clients who subscribe to our Wrap Asset Management service.

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

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

Item 14: Client Referrals & Other Compensation

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

Investment or Brokerage Discretion

We provide discretionary portfolio management services where the investment advice provided is custom tailored to meet the needs and investment objectives of each client. Accordingly, we are authorized to perform various functions, at the client's expense, without further approval from the client. Such functions include the determination of securities to be purchased/sold and the amount of securities to be purchased/sold. We do not have discretionary authority over the broker or dealer to be used.

Suggestion of Brokers to Clients

We shall recommend LPL Financial. LPL is the broker-dealer with which our representatives are also associated. As a result of the individual association of our representatives with LPL, we are generally required to utilize the brokerage/custodial services of LPL for investment advisory accounts. Our general policies relative to the execution of client securities brokerage transactions are as follows:

Execution of Brokerage Transactions (when applicable)

In seeking “best execution”, the determinative factor is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution. LPL also takes into consideration the full range of a broker-dealer's services including execution capability, commission rates, and responsiveness. Although LPL will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for all account transactions.

Over-the-Counter (OTC) securities transactions are generally effected based on two (2) separate broker-dealers: (1) a “dealer” or “principal” acting as market-maker; and (2) the executing broker-dealer that acts in an agency capacity. Dealers executing principal transactions typically include a mark-up/down, which is included in the offer or bid price of the securities purchased or sold. In addition to the dealer mark-up/down, the client may also incur the transaction fee imposed by the executing broker-dealer. We do not receive any portion of the dealer mark-up/down or the executing broker-dealer transaction fee.

Transactions for each client account will be effected independently. We individually review each client's account and place trades accordingly. Despite being purchased or sold at approximately the same time all clients' transactions will incur individual transaction fees.

Additional Compensation

We may receive from LPL or a mutual fund company, without cost and/or at a discount non soft-dollar support services and/or products, to assist us to better monitor and service client accounts maintained at such institutions. Included within the support services we may receive investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by us to assist us in our investment advisory business operations.

Our clients do not pay more for investment transactions effected and/or assets maintained at LPL as result of this arrangement. There is no commitment made by us to LPL or any other institution as a result of the above arrangement.

We occasionally co-sponsor client events with financial assistance from various unaffiliated mutual fund companies. Such sponsorship is not in connection with client securities transactions (“soft dollar benefits”) and our clients do not pay more for investment transactions effected and/or assets maintained as result of this arrangement. Our firm only solicits financial assistance from mutual fund companies that we have conducted business with over the previous year to ensure that there are no conditions imposed on our firm in return for such financial assistance. We make no commitment to any mutual fund company or institution as a result of these arrangements. Additionally, our clients are not solicited to invest in the sponsoring funds unless the investment is in the best interest of the client.

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

We pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm in accordance with Rule 206 (4)-3 of

the Investment Advisers Act of 1940. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain Solicitors Agreements in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15: Custody

We do not have custody of client funds or securities. All of our clients receive at least quarterly account statements directly from their custodians. Upon opening an account with a qualified custodian on a client's behalf, we promptly notify the client in writing of the qualified custodian's contact information. If we decide to also send account statements to clients, such notice and account statements include a legend that recommends that the client compare the account statements received from the qualified custodian with those received from our firm.

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

Item 16: Investment Discretion

We generally require that clients provide our firm with investment discretion on their behalf, pursuant to an executed investment advisory client agreement. By granting investment discretion, we are authorized to execute securities transactions, which securities are bought and sold, the total amount to be bought and sold, and the costs at which the transactions will be effected. Limitations may be imposed by the client in the form of specific constraints on any of these areas of discretion on a case by case basis with approval from the firm's Chief Compliance Officer.

Item 17: Voting Client Securities

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

Item 18: Financial Information

We are not required to provide financial information in this Brochure because:

- We do not require the prepayment of more than \$1,200 in fees and six or more months in advance.
- We do not take custody of client funds or securities.

- We do not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.
- We have never been the subject of a bankruptcy proceeding.