



FC360, Inc.

Form ADV Part 2A Brochure

8150 Sierra College Blvd
Suite 270
Roseville, CA 95661

Phone: 916-379-7980
Fax: 916-379-7981

www.fc360solutions.com

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This disclosure brochure provides clients with information about the qualifications and business practices of FC360, Inc., an independent investment advisory firm registered with the California Department of Business Oversight. It also describes the services FC360, Inc. provides as well as background information on those individuals who provide investment advisory services on behalf of FC360, Inc. Please contact Allen C. Archuleta, Jr., Chief Compliance Officer of FC360, Inc., at 916-379-7980 if you have any questions about the contents of this disclosure brochure.

The information in this disclosure brochure has not been approved or verified by the California Department of Business Oversight or by any other state securities authority. Registration with the California Department of Business Oversight does not imply that FC360, Inc. or any individual providing investment advisory services on behalf of FC360, Inc. possess a certain level of skill or training. Additional information about FC360, Inc. is available on the Internet at www.dbo.ca.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for FC360, Inc. is 171788.

Item 2 – Material Changes

This item discusses specific material changes to the FC360, Inc. brochure.

Pursuant to current SEC Rules, FC360, Inc. will ensure that clients receive a summary of any materials changes to this and subsequent brochures within 120 days of the close of the firm's fiscal year this occurs at the end of the calendar year. FC360, Inc. may further provide other ongoing disclosure information about material changes as necessary.

FC360, Inc. will also provide clients with a new brochure as necessary based on changes or new information, at any time, without charge.

This disclosure brochure has been not been materially modified since the most recent filing of FC360, Inc.'s updated amendment (August 17, 2015):

During 2015, Iron Peak Advisors, Inc. changed its name to FC360, Inc. after shifting its primary line of business from an internet based investment firm to a full service investment management platform. This change no longer allowed FC360, Inc. an exemption as a SEC registered investment advisor, and required FC360, Inc. to register as a state-registered investment advisor.

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Item 4 --Advisory Business

A. The Company

FC360, Inc. is a privately-held Delaware corporation that has been providing investment advisory services since May 20, 2014 and has been registered with the CA state securities authority since August 17, 2015. Throughout this disclosure brochure, the company is referred to as “FC360” or the “firm.”

The principal owner of FC360 is ABI Equity, LLC.

B. Advisory Services

FC360 provides full service investment management, which includes investment management services, financial planning, retirement planning, and referrals to professionals who handle tax and estate planning on behalf of our clients.

The firm also provides investment advice to participants and plan sponsors of employer sponsored plans.

FC360’s Discretionary Investment Management Services

Full Circle 360 Platform

Under the Full Circle 360 Platform, FC360 will provide personalized discretionary investment management services by taking a holistic approach to wealth management. Through one-on-one discussions with the client, FC360 will create goals and objectives based on a client’s particular circumstances and the results from their time horizon and risk tolerance discovery process. Thereafter, FC360 will create and manage a customized portfolio based on that profile, allocating the client’s assets among various investments. Also, FC360 will provide other benefits to the client’s such as retirement planning, financial planning, and tax and estate planning through outside licensed professionals.

Low Cost Indexing Platform

FC360 provides discretionary investment management services through their website www.fc360solutions.com. Through an online client discovery process, during which goals and objectives based on a client's particular circumstances are established, FC360 and the client agree on guidelines that quantify the client’s risk profile. Thereafter, FC360 creates and manages a customized portfolio based on that profile, allocating the client's assets among various investments while taking into consideration the client’s risk tolerance.

FC360 will manage these advisory accounts on a discretionary basis.

FC360’s Non-Discretionary Investment Management Services

FC360 may also provide non-discretionary investment management services to clients through an application on their website. Such services are limited to one-on-one advice with clients who require additional advisory services beyond our discretionary investment management services. Such services will include one-on-one video conference meetings through our website in 30 minute increments.

Retirement Plan Discretionary Investment Management Services

FC360 will provide discretionary management services for participants of employer sponsored retirement plans that we manage. Each managed service client of FC360 is taken through an online investor questionnaire process to identify their risk tolerance and time horizon, and based on the clients risk profile will be assigned a custom portfolio, allocating the client's assets among the various instruments available to them within their employer sponsored plan. Client's accounts will automatically be rebalanced on a quarterly basis.

For the clients who elect the optional "Portfolio Management Services" FC360 will manage these clients on discretionary basis.

Retirement Plan Non-Discretionary Investment Management Services

FC360 provides non-discretionary investment management services through third-party applications, which walk clients through a time horizon and risk tolerance questionnaire, which then assigns a specific asset allocation model, and makes investment recommendation based on the questionnaire and asset allocation model results. Such services are restricted to advice regarding their individual employer sponsored retirement plans. In so doing, FC360 recommends the allocation of client assets among the various mutual fund subdivisions that comprise the retirement plan.

401(k) Retirement Consulting Services

FC360 provides 401(k) Retirement Consulting Services to both the sponsor of non- pooled retirement plans (the "Client") and plan participants (the "Plan Participants").

Services Provided to Plan Sponsors

FC360 shall provide to the Client the scope of services in connection with the investment and reinvestment of securities, cash and/or other investments held from time to time in the Client's plan account (the "Plan"). If the client elects the Full-Service Retirement Platform, FC360 shall act as the 3(21) & 3(38) fiduciary of the Plan, as defined under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), with respect to the investment advice FC360 provides to the Plan.

The scope of services to the Client includes:

- Consultation via phone or video conferencing on the plan anniversary date to discuss the details of the plan, including investment selections, administration and education of the participants;
- Consultation related to the monitoring of service providers, including but not limited to Plan asset custodians and third party plan administrators;
- As the 3(38) fiduciary, FC360 will monitor, assess, and remove or implement funds within a client's Plan.

Services Provided to the Plan Participants

To the extent the Client is a plan sponsor of an individual account plan as defined under Section 404(c) of ERISA, FC360 shall provide Plan Participants the services set forth in the scope in connection with the investment and reinvestment of securities, cash and/or other investments held from time to time in the Plan Participants' accounts under the Plan. FC360 shall render investment advice to the Plan Participant through our website www.FC360.com. A Plan Participant shall exercise control over the assets in his or her

account by providing the recordkeeper with investment instructions in the form requested by the plan administrator regarding the investment of the account. FC360 also provides Plan Participants with sufficient information to make informed decisions with regard to investment alternatives available under the Plan in accordance with ERISA regulation Section 2550.404c-1(b)(2)(i)(B)(1) and (2). This service satisfies the ERISA 3(21) fiduciary requirement.

The scope of services to Plan Participants includes:

- Take Plan Participants through an online investor questionnaire that will determine a client's time horizon to retirement and their overall risk tolerance.
- Based on the questionnaire results, Plan Participants will be provided with general asset allocation models based on generally accepted investment theories, which is specific to their time horizon to retirement.
- Provide Plan Participants with investment materials through a third-party application website.
- Plan Participants are also provided with an option for "Portfolio Management Services" which if elected FC360 will manage the clients account on a discretionary basis.

C. Full Circle 360 Platform

FC360 offers investment advisory services which are tailored to meet the specific needs of each client. This service has been designed to emulate the traditional financial experience through our online platform. Our Full Circle 360 Platform gives our FC360 clients a higher level of benefits and services than one would usually receive while working with a traditional advisor. In order to provide appropriately individualized services, FC360 will obtain information regarding the client's financial circumstances, investment objectives, overall financial condition, income and tax status, personal and business assets, risk profile and other information regarding the client's financial and investment needs through our outline "Get to Know our Client" process.

FC360 will periodically review with clients their financial circumstances, investment objectives and risk profile. In order for FC360 to provide effective advisory services, it is critical that clients provide accurate and complete information to FC360 and inform the firm anytime such information needs to be updated or anytime there is a change in their financial circumstances, investment objectives and/or risk profile.

Generally, clients are permitted to impose reasonable restrictions on investing in certain securities or types of securities in their advisory accounts, provided, however, that some restrictions may not be accommodated when utilizing Exchange Traded Funds, mutual funds or with respect to certain third-party products or services made available through FC360. In addition, a restriction request may not be honored if it is fundamentally inconsistent with FC360's investment philosophy, runs counter to the client's stated investment objectives, or would prevent FC360 from properly servicing client accounts.

All Full Circle 360 accounts will be managed on a discretionary basis.

D. Wrap Fee Programs

FC360 does not provide portfolio management services to a wrap fee program(s). Under a wrap fee program, advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and transaction services (*e.g.*, execution of trades) are provided for one fee. This is different than traditional investment management

programs whereby services are provided for a fee, but transaction services are billed separately on a per-transaction basis.

E. Assets Under Management

As of August 17, 2015, the total amount of client assets managed collectively by FC360 is approximately \$833,685. Of this total amount, \$583,685 of client assets are managed on a discretionary basis and \$250,000 of client assets are managed on a non-discretionary basis. FC360's business model is one where the majority of the fees earned by the firm are solely fee-based for investment advice.

Item 5 -- Fees and Compensation

A. Advisory Fees

Investment Management Fees

FC360 Investment Management Services Fees

Discretionary –Low Cost Indexing Platform

The fee for the Low Cost Indexing Discretionary Investment Management Services through the FC360 website, www.FC360solutions.com, will be charged on subscription basis as a monthly flat fee charge:

Assets Under Management	Maximum Monthly Fee (\$)
First \$20,000	\$3.00
Above \$20,000	\$15.00

FC360's Low Cost Indexing Platform investment advisory fee is paid monthly, in advance, based upon the market value of the assets on the last business day of the previous month. For the first month, the monthly fee is charged in arrears on the account's first billing cycle. The first month's fee is prorated based on the market value at the time cash is deposited or assets are transferred into the account, and the number of days remaining in the month. Fees on additional deposits or withdrawals will also be assessed in arrears. Fees are prorated based on the market value at the time the cash is deposited or withdrawn, or assets are transferred into or out of the account, and the number of days remaining in the month.

FC360 Investment Management Services Fees

Discretionary –Full Circle 360 Platform

The fee for the Full Circle 360 Discretionary Investment Management Services through the FC360 website, www.FC360solutions.com, will be charged as a percentage of assets under management according to the following schedule:

Assets Under Management	Maximum Annual Fee (%)
All Asset Sizes	0.90%

FC360's Full Circle 360 Platform investment advisory fee is prorated and paid

monthly, in advance, based upon the market value of the assets on the last business day of the previous month. For the first month, the annual fee is charged in arrears on the account's first billing cycle. The first month's fee is prorated based on the market value at the time cash is deposited or assets are transferred into the account, and the number of days remaining in the month. Fees on additional deposits or withdrawals will also be assessed in arrears. Fees are prorated based on the market value at the time the cash is deposited or withdrawn, or assets are transferred into or out of the account, and the number of days remaining in the month.

Non-Discretionary

FC360 offers one-on-one consulting services for their client's via their website in 30 minute increments. The Non-Discretionary Investment Management Services through FC360 will be billed on a flat-fee basis which typically ranges between \$30 and \$50 per each half hour.

FC360 Retirement Plan Investment Management Services Fees

Discretionary

FC360 offers discretionary services for the participants of employer sponsored retirement plans they manage. The fee for Discretionary Investment Management Services we will be billed through the plan provider at a maximum annual rate of 0.50% of assets under management. This management option is voluntary to the client and is paid on top of the Retirement Plan fees listed below.

Employer Sponsored Retirement Plan Fees

FC360 offers Employer Sponsored Retirement Plan Services as two different options, a Self-Service Platform or a Full Service Plan Platform.

Self-Service Platform

The Self-Service Platform will be charged a flat monthly fee by FC360 for consultation. Education for participants will be provided through technology on *FC360's educational portal*, and fees will be charged to the Plan Sponsor / Participant based on the number of total participants in the plan on a monthly basis. Employer Sponsored Retirement Plan fees for the Basic Platform are set according to the following schedule:

Employer Sponsored Retirement Plan Consulting

Plan Assets	Maximum Annual Fee (\$)
\$0 - \$99,999	\$250
\$100,000 to \$499,999	\$500
\$500,000 to \$999,999	\$750
\$1,000,000 to \$2,999,999	\$1,000
\$3,000,000 to \$3,999,999	\$1,250
\$4,000,000 to \$4,999,999	\$1,500
\$5,000,000 to \$7,499,999	\$1,750
\$7,500,000 to \$9,999,999	\$2,250
\$10,000,000 and above	\$2,500

Employer Sponsored Retirement Plan Participant Technology Fee

Participants	Maximum Per Participant Fee (\$)
1 – 50	\$20.00
51 – 150	\$19.00
151 – 250	\$18.00
251 – 500	\$16.00
501 – 1,000	\$14.50
1,001 – 2,500	\$12.00
2,500 – 5,000	\$11.00
5,000 +	\$10.00

Full Service Platform

The Full Service Platform will be charged at a **maximum annual percentage of .50%** of all assets under management. This fee will be billed on a monthly basis by FC360 through the clients plan provider, and is negotiable by the client. FC360's Full Service Plan Platform includes the following services:

- Education for participants provided through technology through FC360's third-party applications,
- Investment recommendations will be provided through technology on FC360's third-party applications,
- 3(21) Fiduciary services will be included releasing the employer from ERISA education and investment recommendation liability.
- 3(38) Fiduciary Services will be included releasing the employer from ERISA investment selection and lineup liability, only if FC360 has full control of the investment selections,
- Quarterly, Semi-annual or Annual Plan Sponsor plan review meetings. Frequency schedule will be set by the Plan Sponsor and FC360.

FC360's annual fee will be paid (or deducted) in accordance with the fee payment policies of the plan's custodian and/or third-party administrator, which may vary from client to client.

B. Payment Method

FC360's Advisory Services Fees:

Direct Debiting (Discretionary)

Each month, FC360 will notify the client's qualified custodian of the amount of the fee due and payable to FC360 pursuant to the firm's fee schedule and advisory agreement. The qualified custodian will not validate or check FC360's fees, its corresponding calculation or the assets on which the fee is based unless the client has retained their services to do so. With the client's pre-approval, the qualified custodian will "deduct" the fee from the client's account or, if the

client has more than one account, from the account the client has designated to pay FC360's advisory fees.

Each month, the client will receive a statement directly from the qualified custodian showing all transactions, positions and credits/debits into or from the client's account. Statements sent after month end will also reflect the advisory fee paid by the client to FC360.

Direct Debiting (Non-Discretionary)

Each month, FC360 will charge the client's the amount of the fee due and payable to FC360 pursuant to the firm's fee schedule as outlined on the fee section of our website. With the client's pre-approval, the credit card on file for the client will be charged the quarterly fee due as outlined in their membership agreement, outlined in the Terms of Use on our website.

Billing

FC360 will issue the client an invoice for the firm's services and the client will pay FC360 by check or credit card prior to consultation services, pursuant to the firm's fee schedule as outlined on the fee section of our website or as outlined in this agreement.

FC 360's Retirement Plan Advisory Services Fees:

Direct Debiting

Each month, FC360 will charge the client the amount of the fee due and payable to FC360 pursuant to the firm's fee schedule as outlined on the fee section of our website and this agreement. With the client's pre-approval, the plan provider will debit the client's retirement plan account for the monthly fee due as outlined in their membership agreement, and as outlined in the Terms of Use section of the FC360 website.

Each quarter, the client will receive a statement from their plan provider showing all transactions and credits/debits into or from the client's account.

Employer Sponsored Retirement Plans

FC360's annual fee for the Employer Sponsored Retirement Plans they manage will be paid (or deducted) in accordance with the fee payment policies of the plan's custodian and/or third-party administrator, which may vary from client to client.

C. Additional Fees and Expenses

Trading and Other Costs

All fees paid to FC360 for investment advisory services are separate and distinct from transaction fees charged by custodians/broker dealers associated with the purchase and sale of investments. Such fees may include wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In addition, fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Please see the section entitled "Brokerage Practices" of this disclosure brochure for additional information on brokerage and other transaction costs.

D. Termination and Refunds

A client agreement may be canceled at any time, by either party, for any reason upon receipt

of written notice. Upon termination of any account, any earned, unpaid fees will be due and payable and any prepaid fees will be refunded by the custodian.

E. Important Additional Information

Fees Negotiable

FC360 retains the right to modify fees, including minimum account size, in its sole and absolute discretion, on a client-by-client basis based on the size, complexity and nature of the advisory services provided.

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

FC360 does not accept performance-based fees or engage in side-by-side management. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. FC360's fees are calculated as described above in Item 5 - Fees and Compensation - and are not charged on the basis of a share of the capital gains upon, or capital appreciation of, the funds in a client's account.

Item 7 --Types of Clients

FC360

FC360 provides investment advisory services to individuals, trusts, estates, charitable organizations, corporations and other types of business entities and employer sponsored retirement plans.

Engaging the Services of FC360

All clients wishing to engage FC360 for investment advisory services can do so through our website www.fc360solutions.com or via phone at (916) 379-7980. As part of the new client process, each client must complete the applicable client discovery profile page, agree to the our investment advisory agreement as outlined in our websites Terms of Use, as well as any other document or questionnaire provided by FC360. The investment advisory agreement located within the Terms of Use section of our website describes the services and responsibilities of FC360 to the client. It also outlines FC360's fees in detail. In addition, clients must complete certain custodial documentation. Upon completion of all these documents, FC360 will be considered engaged by the client. Clients are responsible for ensuring that FC360 is informed in a timely manner of changes in their investment objectives and risk tolerance.

Neither FC360 nor the client may assign the investment advisory agreement without the consent of the other party. Transactions that do not result in a change of actual control or management of FC360 are not to be considered an assignment.

A copy of FC360's privacy policy notice and this written disclosure statement are provided to each client prior to or contemporaneously with the execution of the investment advisory agreement, and are available at any time by visiting our website at www.fc360solutions.com. Any client who has not received a copy of FC360's written disclosure statement at least forty eight (48) hours prior to executing the investment advisory agreement shall have five (5) business days

subsequent to executing the agreement to terminate FC360's services without penalty.

Additions and Withdrawals to Client's Account

The client may make additions to, and withdrawals from, the account at any time, subject to FC360's right to terminate an account. Clients may withdraw account assets on notice to FC360, subject to the usual and customary securities settlement procedures. However, FC360 designs its portfolios as long-term investments and assets withdrawals may impair the achievement of a client's investment objectives.

Additions may be in cash or securities provided that FC360 reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. FC360 may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Item 8 -- Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

FC360's security analysis methods include fundamental analysis, technical analysis, cyclical analysis and charting.

Fundamental Analysis

Fundamental analysis is a method of evaluating securities by attempting to measure the intrinsic value of a stock. Fundamental analysts study the overall economy and industry conditions, the financial condition of a company, details regarding the company's product line, and the experience and expertise of the company's management. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Technical Analysis

Technical analysis involves the examination of past market data rather than specific company data in determining which securities to buy/sell. Technical analysis may involve the use of various quantitative-based calculations, variation metrics and charts to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of a company. These trends may include put/call ratios, pricing trends, moving averages, volume, and changes in volume, among many others. These trends, both short and long-term, are used for determining specific trade entry and exit points and broad economic analysis.

Cyclical Analysis

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (e.g., the entire market/economy) or micro (e.g., company specific) level, rather than the overall fundamental analysis of the health of a particular company. Cyclical analysis involves the historical patterns and trends of securities, markets or economies as a

whole in an effort to determine future behaviors, the estimation of price movement and an evaluation of a transaction before entry into the market in terms of risk and profit potential.

Charting

Charting involves the use of patterns in performance charts which might identify favorable conditions for buying and/or selling a security. Charts of market and security activity are reviewed in an attempt to identify when the market is moving up or down and to predict how long the trend will last and when that trend may reverse.

Investment Strategies

FC360 will use all or some of the following strategies in managing client accounts, provided that such strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance and time horizons, among other considerations:

Long-Term Purchases

Securities are purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Short-Term Purchases

Securities are purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

Types of Investments

Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Recommendations for new investments will typically be limited to domestic or foreign equity securities, corporate debt securities, certificates of deposit, municipal and United States government securities, mutual funds, and exchange traded funds (ETFs).

Sources of Information

In conducting security analysis, FC360 and BuildMy401k.com may utilize the following sources of information: financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, filings with the U.S. Securities and Exchange Commission and company press releases.

Investing Involves Risk

Investing in securities involves risk of loss that each client should be prepared to bear. The value of a client's investment may be affected by one or more of the following risks, any of which could cause a client's portfolio return, the price of the portfolio's shares or the portfolio's yield to fluctuate:

- *Market Risk.* The value of portfolio assets will fluctuate as the stock or bond market fluctuates. The value of investments may decline, sometimes rapidly and unpredictably, simply because of economic changes or other events that affect large portions of the market.
- *Management Risk.* A client's portfolio is subject to management risk when it is actively managed by FC360's or BuildMy401k.com's investment professionals. FC360 and BuildMy401k.com will apply its investment techniques and risk analysis in making

investment decisions for a client's portfolio, but there is no guarantee that these techniques and FC360's or BuildMy401k.com's judgment will produce the intended results.

- *Interest Rate Risk.* Changes in interest rates will affect the value of a portfolio's investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tend to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- *Credit Risk.* An issuer or guarantor of a fixed-income security, or the counterparty to a derivatives or other contract, may be unable or unwilling to make timely payments of interest or principal, or to otherwise honor its obligations. The issuer or guarantor may default causing a loss of the full principal amount of a security. The degree of risk for a particular security may be reflected in its credit rating. There is the possibility that the credit rating of a fixed-income security may be downgraded after purchase, which may adversely affect the value of the security. Investments in fixed-income securities with lower ratings tend to have a higher probability that an issuer will default or fail to meet its payment obligations.
- *Allocation Risk.* The allocation of investments among different asset classes may have a significant effect on portfolio value when one of these asset classes is performing more poorly than the others. As investments will be periodically reallocated, there will be transaction costs which may be, over time, significant. In addition, there is a risk that certain asset allocation decisions may not achieve the desired results and, as a result, a client's portfolio may incur significant losses.
- *Foreign (Non-U.S.) Risk.* A portfolio's investments in securities of non-U.S. issuers may involve more risk than those of U.S. issuers. These securities may fluctuate more widely in price and may be less liquid due to adverse market, economic, political, regulatory or other factors.
- *Emerging Markets Risk.* Securities of companies in emerging markets may be more volatile than those of companies in developed markets. By definition, markets, economies and government institutions are generally less developed in emerging market countries. Investment in securities of companies in emerging markets may entail special risks relating to the potential for social instability and the risks of expropriation, nationalization or confiscation. Investors may also face the imposition of restrictions on foreign investment or the repatriation of capital and a lack of hedging instruments.
- *Currency Risk.* Fluctuations in currency exchange rates may negatively affect the value of a portfolio's investments or reduce its returns.
- *Derivatives Risk.* Certain strategies involve the use of derivatives to create market exposure. Derivatives may be illiquid, difficult to price and leveraged so that small changes may produce disproportionate losses for a client's portfolio and may be subject to counterparty risk to a greater degree than more traditional investments. Because of their complex nature, some derivatives may not perform as intended. As a result, a portfolio may not realize the anticipated benefits from a derivative it holds or it may realize losses. Derivative transactions may create investment leverage, which may increase a portfolio's volatility and may require the portfolio to liquidate portfolio securities when it may not be advantageous to do so.
- *Capitalization Risk.* Investments in small- and mid-capitalization companies may be more volatile than investments in large-capitalization companies. Investments in small-capitalization companies may have additional risks because these companies have limited product lines, markets or financial resources.
- *Liquidity Risk.* Liquidity risk exists when particular investments are difficult to purchase

or sell, possibly preventing FC360 from selling out of such illiquid securities at an advantageous price. Derivatives and securities involving substantial market and credit risk also tend to involve greater liquidity risk.

- *Issuer Specific Risk.* The value of an equity security or debt obligation may decline in response to developments affecting the specific issuer of the security or obligation, even if the overall industry or economy is unaffected. These developments may comprise a variety of factors, including, but not limited to, management issues or other corporate disruption, political factors adversely affecting governmental issuers, a decline in revenues or profitability, an increase in costs, or an adverse effect on the issuer's competitive position.
- *Concentrated Portfolios Risk.* Certain investment strategies focus on particular asset classes, countries, regions, industries, sectors or types of investments. Concentrated portfolios are an aggressive and highly volatile approach to trading and investing. Concentrated portfolios hold fewer different stocks than a diversified portfolio and are much more likely to experience sudden dramatic prices swings. In addition, the rise or drop in price of any given holding is likely to have a larger impact on portfolio performance than a more broadly diversified portfolio.
- *Legal or Legislative Risk.* Legislative changes or court rulings may impact the value of investments or the securities' claim on the issuer's assets and finances.

B. Risks Associated with Investment Strategies and Methods of Analysis

Risks Associated with Investment Strategies

Long-Term Purchases

Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or your particular investments will decrease in value even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost (e.g., "locking-up" assets that may be better utilized in the short-term in other investments).

Short-Term Purchases

Using a short-term purchase strategy generally assumes that the performance of the financial markets can be accurately predicted over the short-term. The risk associated with a short-term purchase strategy is that there are many factors that may affect market performance in the short-term including interest rate fluctuations, cyclical earnings, etc. Such factors may have a smaller impact over the longer-term. In addition, short-term trading may incur a disproportionately higher amount of transaction costs compared to long-term trading.

Risk Associated with Methods of Analysis

The analysis of securities requires subjective assessments and decision-making by experienced investment professionals, however, there is always the risk of an error in judgment.

FC360's and BuildMy401k.com's securities analysis methods rely on the assumption that the companies whose securities the firm purchases and sells, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are

providing accurate and unbiased data. While FC360 and BuildMy401k.com is alert to indications that data may be incorrect, there is always the risk that the firm's analysis may be compromised by inaccurate or misleading information.

Fundamental Analysis

Fundamental analysis, when used in isolation, has a number of risks:

- Information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.
- The data used may be out of date.
- It ignores the influence of random events such as oil spills, product defects being exposed, acts of God, and so on.
- It assumes that there is no monopolistic power over markets.
- The market may fail to reach expectations of perceived value.

Technical Analysis

The primary risk in using technical analysis is that spotting historical trends may not help predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee than FC360 will be able to accurately predict such a reoccurrence.

Cyclical Analysis

The primary risk in using cyclical analysis is that economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions. The lengths of economic cycles may be difficult to predict with accuracy and therefore, there is an attendant difficulty in predicting economic trends. Consequently, the changing value of securities would be affected by these changing trends.

Charting

The primary risk in using charting analysis is that it may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about a security and yet, day-to-day changes in the market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

C. Risks Associated with Specific Securities Utilized

Common Stocks

The major risks associated with investing in common stocks relate to the issuer's capitalization, quality of the issuer's management, quality and cost of the issuer's services, the issuer's ability to manage costs, efficiencies in the manufacturing or service delivery process, management of litigation risk and the issuer's ability to create shareholder value (e.g., increase the value of the company's stock price).

Preferred Stocks

Preferred stock dividends are generally fixed in advance. Unlike requirements to pay interest on certain types of debt securities, the company that issues preferred stock may not be

required to pay a dividend and may stop paying the dividend at any time. Preferred stock may also be subject to mandatory redemption provisions and an issuer may repurchase these securities at prices that are below the price at which they were purchased by the investor. Under these circumstances, a client account holding such preferred securities could lose money.

Fixed-Income Securities

Different forms of fixed-income instruments, such as bonds, money market funds, and certificates of deposit may be affected by various forms of risk, including:

- *Interest Rate Risk.* The risk that the value of the fixed-income holding will decrease because of an increase in interest rates.
- *Liquidity Risk.* The inability to readily buy or sell an investment for a price close to the true underlying value of the asset due to a lack of buyers or sellers. While certain types of fixed-income securities are generally liquid (e.g., corporate bonds), there are risks which may occur such as when an issue trading in any given period does not readily support buys and sells at an efficient price. Conversely, when trading volume is high, there is also the risk of not being able to purchase a particular issue at the desired price.
- *Credit Risk.* The potential risk that an issuer would be unable to pay scheduled interest or repay principal at maturity, sometimes referred to as “default risk.” Credit risk may also occur when an issuer’s ability to make payments of principal and interest when due is interrupted. This may result in a negative impact on all forms of debt instruments.
- *Reinvestment Risk.* With declining interest rates, investors may have to reinvest income or principal at a lower rate.
- *Duration Risk.* Duration is a measure of a bond’s volatility, expressed in years to be repaid by its internal cash flow (interest payments). Bonds with longer durations carry more risk and have higher price volatility than bonds with shorter durations.

Municipal Bonds

In addition to the risks set forth under “Fixed-Income Securities” above, municipal bonds are susceptible to events in the municipality that issued the bond or the security posted for the bond. These events may include economic or political policy changes, changes in law, tax base erosion, state constitutional limits on tax increases, budget deficits or other financial difficulties and changes in the credit rating assigned to municipal issues.

Exchange Traded Funds

ETFs are subject to risks similar to those of stocks. Investment returns will fluctuate and are subject to market volatility, so that when shares are sold they may be worth more or less than their original cost. ETF shares are bought and sold at market price (not Net Asset Value) and are not individually redeemed from the fund. There is also the risk that a manager may deviate from the stated investment mandate or strategy of the ETF which could make the holdings less suitable for a client’s portfolio. ETFs may also carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees. In addition, while many ETFs are known for their potential tax efficiency and higher “qualified dividend income” (QDI) percentages, there are assets classes within these ETFs or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of an ETF’s portfolio, may be considered “non-qualified” under certain tax code provisions.

Equity Funds

The major risks associated with investing in equity mutual funds is similar to the risks associated with investing directly in equity securities, including market risk, which is the risk that investment returns will fluctuate and are subject to market volatility, so that an investor's shares, when redeemed or sold, may be worth more or less than their original cost. Other risks include the quality and experience of the portfolio management team and its ability to create fund value by investing in securities that have positive growth, the amount of individual company diversification, the type and amount of industry diversification and the type and amount of sector diversification within specific industries. In addition, there is the risk that a manager may deviate from the stated investment mandate or strategy of the mutual fund which could make the holdings less suitable for a client's portfolio. Also, mutual funds tend to be tax inefficient and therefore investors may pay capital gains taxes on fund investments while not having yet sold their shares in the fund. Mutual funds may also carry additional expenses based on their share of operating expenses and certain brokerage fees, which may result in the potential duplication of certain fees.

Fixed-Income Funds

In addition to the risks associated with investing in equity mutual funds, fixed-income mutual funds also the same risks as set forth under "Fixed-Income Securities" listed above.

Indexed Funds

Indexed Funds have the potential to be affected by "tracking error risk" which means a deviation from a stated benchmark index. Since the core of a portfolio may attempt to closely replicate a benchmark, the source of the tracking error (deviation) may come from a "sample index" that may not closely align the benchmark. In addition, while many index mutual funds are known for their potential tax efficiency and higher "qualified dividend income" (QDI) percentages, there are assets classes within these funds or holding periods that may not benefit. Shorter holding periods, as well as commodities and currencies that may be part of a fund's portfolio, may be considered "non-qualified" under certain tax code provisions.

D. Cash Management

Cash is invested in an insured money market fund. Depending on balances, rates and market conditions, FC360 may utilize a higher yielding money market fund.

Item 9 --Disciplinary History

FC360 is required to disclose any legal or disciplinary events that are material to a client's or a prospective client's evaluation of the firm's advisory business or the integrity of FC360's management. Neither FC360 nor any of its supervised persons have ever been disciplined by a regulatory agency.

Item 10 --Other Financial Industry Activities and Affiliations

A. Futures and Commodity Registration

FC360 is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor. No

management person is registered, nor does any management person have an application pending to register, as an associated person of a futures commission merchant, commodity pool operator or a commodity trading advisor.

B. Financial Industry Affiliations

FC360 does not have any financial industry affiliations to disclose.

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

Code of Ethics

FC360 has adopted a Code of Ethics to prevent violations of federal securities laws; including the unlawful use of what is commonly called “inside information”. The Code of Ethics is predicated on the principle that FC360 and its employees owe a fiduciary duty to its clients. Accordingly, FC360 expects all employees to act with honesty, integrity and professionalism and to adhere to federal securities laws. FC360, and its employees are required to adhere to the Code of Ethics. At all times, FC360, and its employees must (i) place client interests ahead of FC360’s; (ii) engage in personal investing that is in full compliance with FC360’s Code of Ethics; and (iii) avoid taking advantage of their position. In addition, the Code of Ethics requires that certain individuals report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings. Clients and prospective clients may request a copy of FC360’s Code of Ethics by contacting Allen Archuleta, Jr., Chief Executive Officer of FC360’s, at 916-379-7980.

Participation or Interest in Client Transactions

Individuals associated with FC360 may not effect securities transactions for compensation.

Clients are free, however, to implement FC360’s recommendations through any broker-dealer that they choose. The receipt of commissions for recommended products could represent an incentive for these individuals to recommend products that pay a commission over other products, therefore creating a conflict of interest.

Individuals associated with FC360 may buy, sell, or hold in their personal accounts the same securities that they recommend to clients.

As this represents a conflict of interest, FC360 has enacted certain policies and procedures to ensure that its client’s interests always come first. For example, unless specifically permitted in FC360’s Code of Ethics, no individual associated with FC360 may make 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 FC360’s clients. This restriction extends to their immediate family (e.g., spouse, minor children, and adults living in the same household) as well.

In addition, when FC360 is purchasing or considering for purchase any security on behalf of a client, no individual associated with FC360 may make 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 FC360 is selling or considering the sale of any security on behalf of a client, no individual associated with FC360 may make 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.

Item 12 --Custodian Practices

A. Custodian Selection

FC360 generally has the authority to determine the custodian to be used. FC360 will generally recommend that clients utilize the clearing services of TD Ameritrade, Inc. ("TDA") for investment management accounts.

FC360 participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. FC360 receives some benefits from TD Ameritrade through its participation in the Program.

Best Execution

Best execution has been defined by the SEC as the "execution of securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances." The best execution responsibility applies to the circumstances of each particular transaction and an investment adviser must consider the full range and quality of a broker-dealer's services, including, among other things, execution capability, commission rates, the value of any research, financial responsibility and responsiveness.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while FC360 will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions.

If the client requests FC360 to arrange for the execution of securities brokerage transactions for the client's account; FC360 shall direct such transactions through broker-dealers that FC360 reasonably believes will provide best execution. FC360 shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.

Broker Analysis

FC360 evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer's trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving FC360.

Also in consideration is such broker-dealers' provision or payment of the costs of research

and other investment management-related services (the provisional payment of such costs by brokers are referred to as payment made by “soft dollars”, as further discussed in the “Research/Soft Dollars Benefits” section immediately below). Accordingly, if FC360 determines in good faith that the amount of trading costs charged by a broker-dealer is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker, the client may pay trading costs to such broker in an amount greater than the amount another broker might charge.

FC360 portfolio managers are responsible for continuously monitoring and evaluation the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. In addition, FC360 periodically reviews its transaction costs in light of current market circumstances and other relevant information.

Research/Soft Dollar Benefits

FC360's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a “safe harbor” for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), FC360 will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, FC360 will generally determine, considering all the factors described below, that the compensation to be paid to the broker is reasonable in relation to the value of all the brokerage and research products and services provided by the broker. In making this determination, FC360 will typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in FC360's performance of its overall responsibilities to all of its clients. In some cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.

Research and Brokerage Products and Services

"Research" products and services FC360 may receive from broker-dealers may include economic surveys, data, and analyses; financial publications; recommendations or other information about particular companies and industries (through research reports and otherwise); and other products or services (e.g., computer services and equipment, including hardware, software, and data bases) that provide lawful and appropriate assistance to FC360 in the performance of its investment decision-making responsibilities. Consistent with Section 28(e), brokerage products and services (beyond traditional execution services) consist primarily of computer services and software that permit FC360 to effect securities transactions and perform functions incidental to transaction execution. FC360 generally uses such products and services in the conduct of its investment decision-making generally, not just for those accounts whose commissions may be considered to have been used to pay for the products or services.

Other Uses and Products

FC360 may use some products or services not only as "research" and as brokerage (i.e., to assist in making investment decisions for clients or to perform functions incidental to transaction execution) but for administrative and other purposes as well. In these instances, FC360 will make a reasonable allocation of the cost of the products and services so that only the portion of the cost that is attributable making investment decisions and executing transactions is paid with commission dollars and FC360

bears the cost of the balance. FC360's interest in making such an allocation differs from clients' interest, in that FC360 has an incentive to designate as much as possible of the cost as research and brokerage in order to minimize the portion that FC360 must pay directly.

Mutual Fund Transactions

Although shares of no-load mutual funds can be purchased and redeemed without payment of transactions fees, FC360 may, consistent with its duty of best execution, determine to cause client accounts to pay transaction fees that may be higher than those obtainable from other broker-dealers when purchasing shares of certain no-load mutual funds in order to obtain "research". This research may not be used for the exclusive benefit of the clients who pay transaction fees in purchasing mutual fund shares.

TD Ameritrade

FC360 participates in TD Ameritrade's institutional customer program and FC360 may recommend TD Ameritrade to clients for custody and brokerage services.

There is no direct link between FC360's participation in the program and the investment advice it gives to its clients, although FC360 receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors, including the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations;
- Research related products and tools;
- Consulting services; access to a trading desk serving adviser participants;
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts);
- The ability to have advisory fees deducted directly from client accounts;
- Access to an electronic communications network for client order entry and account information;
- Access to mutual funds with no transaction fees and to certain institutional money managers; and
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to FC360 by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by FC360's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit FC360 but may not benefit its client accounts. These products or services may assist FC360 in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help FC360 manage and further develop its business enterprise.

The benefits received by FC360 or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, FC360 endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by FC360 or its related persons in and of itself creates a potential conflict of interest and may indirectly influence FC360's choice of TD Ameritrade for custody and brokerage services.

Directed Brokerage

Certain clients may direct FC360 to use particular brokers for executing transactions in their accounts. With regard to client directed brokerage, FC360 is required to disclose that FC360 may be unable to negotiate commissions, block or batch orders or otherwise achieve the benefits described above, including best execution. Directed brokerage commission rates may be higher than the rates FC360 might pay for transactions in non-directed accounts. Therefore, directing brokerage may cost clients more money.

FC360 reserves the right to decline acceptance of any client account that directs the use of a broker dealer other than TD Ameritrade, if FC360 believes that the broker dealer would adversely affect its fiduciary duty to the client and/or ability to effectively service the client portfolio.

As a general rule, FC360 encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker to the client in exchange for the directed brokerage designation.

B. Trade Aggregation/Allocation

Investment Management

Transactions for each client generally will be made independently, unless FC360 decides to purchase or sell the same securities for several clients at approximately the same time. FC360 may (but is not obligated to) combine or “batch” such orders to:

- Obtain best execution;
- Negotiate more favorable commission rates; or
- Allocate equitably among FC360’s clients, differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently.

Under this procedure, transactions will generally be averaged as to price and allocated among FC360’s clients pro rata. When aggregating lien trade orders, FC360 will not receive any additional compensation or remuneration as a result of the aggregation. In the event that FC360 determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include:

- When only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates;
- Allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts;
- If an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed);
- With respect to sale allocations, allocations may be given to accounts low in cash;

- In cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, FC360 may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or
- In cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Employer Sponsored Retirement Plans - Retirement Planning

FC360's Employer Sponsored Retirement Plan practice, due to the nature of its business and client needs, does not include blocking trades, negotiating commissions with providers, custodians or broker dealers or obtaining volume discounts, nor necessarily obtaining the best price.

C. Trade Errors

Trade errors made by FC360 or the custodian are promptly reported to the custodian and will be rectified with no adverse financial effect on the client. In the event of an error by the client, FC360 will do its best to mitigate the impact of the error on the clients account.

Item 13 --Review of Accounts

FC360

Reviews

For those clients to whom FC360 provides investment management services, FC360 monitors those portfolios 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 FC360's investment adviser representatives.

All investment advisory clients are encouraged to discuss their needs, goals, and objectives with FC360 and to keep FC360 informed of any changes thereto. FC360 shall provide ongoing investment advisory clients at least annually a summary of their account discussing 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.

Reports

Clients are provided with transaction confirmation notices and summary account statements at least quarterly directly from the custodian for the client's accounts. Those clients to whom FC360 provides financial planning services will receive reports from FC360 summarizing its analysis and conclusions as requested by the client or otherwise agreed to in writing by FC360. For 401(k) Retirement Consulting accounts, FC360 will provide reports as contracted for at the inception of the advisory relationship.

Reports

Clients and participants are provided with transaction confirmation notices and summary account statements at least quarterly directly from the custodian for the client's accounts. For Employer Sponsored Retirement Plan Consulting accounts, BuildMy401k.com will provide reports as contracted for at the inception of the advisory relationship.

Item 14 --Client Referrals and Other Compensation

A. Economic Benefits

FC360 does not receive any economic benefits (e.g., sales incentives, prizes) from non-clients for providing investment advice.

B. Client Referrals

From time to time, FC360 may retain solicitors to refer clients to FC360. If a client is introduced to FC360 by either an unaffiliated or an affiliated solicitor, FC360 may pay that solicitor a referral fee in accordance with all requirements of the Investment Advisers Act and any corresponding state securities law requirements. Any such referral fee shall be paid solely from FC360's management fee, and shall not result in any additional charge to the client. If the client is introduced to FC360 or by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of their solicitor relationship, and shall provide each prospective client with a copy of this written disclosure statement together with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between FC360 and the solicitor, including the compensation to be received by the solicitor from FC360. Any affiliated solicitor of FC360 shall disclose the nature of their relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of this written disclosure statement.

Item 15 --Custody

FC360

Discretionary Investment Management Services

Custody of client assets will be maintained by TD Ameritrade Institutional. FC360 will not have physical custody of any assets in the client's account except as permitted for payment of advisory fees. Clients will be solely responsible for paying all fees or charges of the custodian. Clients will authorize FC360 to give the custodian instructions for the purchase, sale, conversion, redemption, exchange or retention of any security, cash or cash equivalent or other investment for the client's account.

Clients will receive directly from the custodian at least quarterly a statement showing all transactions occurring in the client's account during the period covered by the account statement, and the funds, securities and other property in the client's account at the end of the period. Clients are urged to carefully review the account statement sent by the custodian and to compare the account statement provided by the custodian with any statements provided by FC360.

FC360 Retirement Plan Practice

Discretionary and Non-Discretionary Investment Management Services

Client assets will be maintained at the custodian designated by the sponsor of the employer sponsored retirement plan.

Item 16 -- Investment Discretion

FC360

For those client accounts over which FC360 has discretion, FC360 requests that it be provided with written authority (e.g., limited power of attorney provided by FC360) to determine the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change or amend these limitations as required. All such amendments shall be submitted in writing.

FC360 generally has discretionary authority to make the following determinations without obtaining the consent of the client before the transactions are effected: (1) which securities are bought and sold for the account and (2) the total amount of securities to be bought and sold. FC360 authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between FC360 and the client.

FC360 Employer Sponsored Retirement Plan Consulting

For those Employer Sponsored Retirement Plans over which FC360 has discretion, FC360 requests that it be provided with written authority (e.g., limited power of attorney included in FC360 Plan Sponsor Agreement) to determine which securities are offered or eliminated from the retirement plan. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change or amend these limitations as required. All such amendments shall be submitted in writing.

FC360 generally has discretionary authority to make the following determinations without obtaining the consent of the client before the transactions are effected: (1) which securities are offered in the retirement plan and (2) how often the securities should be replaced. FC360 authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between FC360 and the client.

Managed Portfolio Services

For those client's which request the optional Portfolio Management Services where FC360 has discretion, FC360 requests that it be provided with authority (e.g., Acceptance of Limited Power of Attorney via the registration process) to have access to their account through their providers website and to determine the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change or amend these limitations as required. All such amendments shall be submitted in writing.

FC360 generally has discretionary authority to make the following determinations without obtaining the consent of the client before the transactions are effected: (1) which securities are bought and sold for the account and (2) the total amount of securities to be bought and sold. BuildMy401k.com's authority in making investment related decisions may be limited by account guidelines, investment objectives and trading restrictions, as agreed between BuildMy401k.com, the client and their retirement plan provider.

Item 17 --Voting Client Securities

Proxy Voting

FC360 does not vote proxies on behalf of its clients. Therefore, the client that maintains exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceeding or other type events pertaining to the client's investment assets. FC360 and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients can contact Allen C. Archuleta, Jr., Chief Executive Officer of FC360, at 916-379-7980 if they have questions regarding a particular solicitation.

Class Action Settlements

Although FC360 may have discretion over client accounts, it will not be responsible for handling client claims in class action lawsuits or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

Item 18 --Financial Information

A. Prepayment of Fees

Because FC360 does not require or accept prepayment of more than \$1,200 in fees six months or more in advance, FC360 is not required to include a balance sheet with this disclosure brochure.

B. Financial Condition

FC360 does not have any adverse financial conditions to disclose.

C. Bankruptcy

FC360 has never been the subject of a bankruptcy petition.

Item 19 --Additional Information

Privacy Notice

FC360 views protecting its clients' private information as a top priority and has instituted policies and procedures to ensure that client information is private and secure. FC360 does not disclose any nonpublic personal information about its clients or former clients to any nonaffiliated third parties, except as permitted or required by law. In the course of servicing a client's account, FC360 may share some information with its service providers, such as transfer agents, custodians, broker-dealers, accountants, and lawyers, etc. FC360 restricts internal access to nonpublic personal information about the client to those persons who need access to that

information in order to provide services to the client and to perform administrative functions for FC360. As emphasized above, it has always been and will always be FC360's policy never to sell information about current or former clients or their accounts to anyone. It is also FC360's policy not to share information unless required to process a transaction, at the request of a client, or as required by law. For the full text of FC360's Privacy Policy, please contact Allen C. Archuleta, Jr., Chief Executive Officer of FC360, at 916-379-7980.

Requests for Additional Information

Clients may contact Allen Archuleta, Jr., Chief Executive Officer of FC360, at 916-379-7980 to request additional information or submit a complaint. Written requests and complaints should be sent to FC360, Inc., 8150 Sierra College Blvd, Suite 270, Roseville, CA 95661.