
Item 1 – Cover Page

ShareBuilder

Advisors,LLC

Investment Advisor Brochure

April 1, 2019

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of ShareBuilder Advisors, LLC (hereafter referred to as “Firm”, “SBA,” “our,” “we,” or “us”) as it relates to its 401(k) Services program. If you have any questions about the contents of this Brochure, please contact us at the telephone number listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

SBA is an SEC registered investment adviser. Registration of an investment adviser does not imply a certain level of skill or training. The oral and written communications of an investment adviser may be used by you to determine if you wish to hire or retain an investment adviser. Additional information about SBA is available on the SEC’s website at www.adviserinfo.sec.gov. The SEC’s website also provides information about any persons affiliated with SBA, LLC.

Item 2—Material Changes

The Material Changes section of this Brochure allows us to provide clear notice of any material changes in our business practices or disclosures.

Material Changes Since the Last Update

SBA was formed via a management team led buyout of the 401(k) line of business from Capital One Advisors in Q3 of 2019 to continue to service existing clients as well as future clients. Our officers and leadership have long been active in the industry providing 401k plans to small and mid-size businesses, including sole proprietors. Our principal owner, Stuart Robertson, was hired just after the original launch of this business in 2006 and has led ShareBuilder 401k since 2007 and launched the Spark 401k branded 401(k) plans in 2016.

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Item 4 – Advisory Business

Who We Are

ShareBuilders Advisors, LLC (“SBA,” the “Firm”, “ShareBuilder 401k,” “we,” “our,” or “us”) is a Registered Investment Advisor with its primary place of business in Seattle, Washington. We are organized as a limited liability company under the laws of the State of Delaware. SBA was founded in 2019 by the management team which ran the ShareBuilder 401k and Spark 401k businesses as part of Capital One Advisors. The management team led a buyout of the 401(k) line of business from Capital One Advisors in 2019. Our principal owner, Stuart Robertson, was hired just after the original launch of this business in 2006 and has led ShareBuilder 401k since 2007 and launched the Spark 401k branded 401(k) plans in 2016. SBA’s mission is to lead Americans to save by helping lower costs in 401(k) plans, making simple-to-buy plans available digitally, and providing advisory services for employers, including certain fiduciary responsibilities and oversight of Model Portfolios and an Investment Roster.

ShareBuilders Advisors, LLC provides investment advice to plan sponsors under the names “ShareBuilder 401k” and “ShareBuilder Advisors”.

Services to Plan Sponsors

The Firm provides consulting services and information to Plan Sponsors (or “Employers”) regarding establishing defined contribution plans (“Plan”) for their Participants (or “Employees”)¹.

Through our website, we ask the Employer a series of questions and then recommend a particular Plan based on the Employer’s identified needs. We then provide an automated process to assist the Employer in selecting and purchasing a Plan and then choosing investment options, as described below. Our Plan recommendations are based on a number of factors, including but not limited to, size of employee base, demographics, and existing benefits.

Key to meeting our goal of making 401(k) plans simpler is offering limited investment choices. To this end, we offer 20 exchange-traded funds (ETFs) on our platform, certain Commodity ETFs, and a Money Market Fund. We also provide five Model Portfolios. We do not offer advice on any other types of investments.

Participants may choose to invest in a Model Portfolio created by SBA or they may build a custom portfolio utilizing a selection of the ETFs and the Money Market Fund. Model Portfolios are constructed to meet a range of Plan and Participant risk profiles and include strategies supporting the following objectives and risk tolerance levels: Stable, Conservative, Balanced, Moderate and Aggressive Portfolios. In no event does SBA construct a profile outside of these portfolios, nor does SBA offer or furnish personalized advice to Plan Participants.

Because SBA’s Investment Committee chooses the investment options available, as well as the composition of each of the Model Portfolios, we serve as an ERISA 3(38) advisor for each 401(k) Plan, unless otherwise arranged or designated. The Investment Committee also manages proxy voting for plan sponsors. We do not provide other investment advisory services beyond these to our 401(k) Program Clients.

¹ Plan Sponsors and Participants shall have the same meaning as defined in ERISA.

SBA's ERISA 3(38) status distributes some of the fiduciary risks and duties Employers would otherwise have in offering a Plan, in particular, by managing the investments made available in the Plan. The Plan Sponsor and other Employer personnel involved with the Plan retain all other fiduciary duties, including the selection of other Plan providers.

Sponsors/Employers are entitled to impose reasonable restrictions on our management of their portfolios pursuant to Investment Company Act Rule 3a-4. Any management restriction a Sponsor may wish to impose is subject to our review and approval.

SBA offers no tax advice to Plans, Plan Sponsors or Plan Participants.

Item 5 – Fees and Compensation

We are compensated primarily by asset-based fees. For companies with 401k plans that have minimal or no assets, SBA also receives a portion of one-time fees charged for Plan set-up, as well as ongoing monthly administration fees charged to the Plan Sponsor. For “take-over plans,” and as any plan grows in asset size, our fee schedule is tiered so that we receive a smaller portion and eventually charge no set-up or administration fee to the Plan Sponsors for these services. For Plans with a very large number of Participants but a small asset base, we have a scale that determines when we charge an ongoing per-Participant fee assessed directly to the Plan Participants. That fee scale is available through the online quote process. As plan assets grow, these fees are reduced and/or eliminated. The per-Participant fee ranges from \$0 to \$4.50 per month, depending on a Plan's asset base and number of Participants.

Pricing specific to the 401(k) offering is listed below and available on www.sharebuilder401k.com, or by calling us. Full fee disclosures and quotes are provided before purchase and are accessible online.

In general, Plans become more expensive as they add Participants, and they become less expensive as they increase in assets. The most expensive Plans are those with a large number of Participants and a small asset base.

We have provided broad descriptions of the types and ranges of fees that Plan Sponsors and Plan Participants can expect to pay below. In all cases, a Plan Sponsor will receive a detailed proposal and fee disclosure document through our website prior to purchasing a Plan. The proposal details SBA's advisory fees as well as the fees charged by the Third-Party Administrator (“TPA”) responsible for Plan recordkeeping and other administrative services provided to the Plan Sponsor.

In addition to information available through our website, SBA representatives can be reached at a toll-free number [800-943-6108 option 1] to discuss Plan features and design. For existing plans with over \$1M in assets, and in some markets where we maintain a physical sales support presence, we are able to meet in person to answer questions and guide users to the Plan that fits their stated needs. For Plans with fewer than 250 Participants, the primary components of our fees are:

- One-time set-up fees, charged to the Plan Sponsor, ranging from \$0 to \$995, depending on the Plan type and assets.

- Administration fees, charged to the Plan Sponsor, ranging from \$0 to \$410 per month. Plans with more Participants generally pay higher monthly administration fees, but the fees decrease as assets increase above predetermined tiers. In rare instances, this fee is negotiable.
- Asset-based fees, charged quarterly by the TPA to the Plan Participant's account, and based on an annual fee, ranging from 0.10% of asset value to 0.75% of asset value.

From time to time, to encourage prospective Plan Sponsors to establish plans in our Program, we offer discounts on fees paid to the Firm.

A summary of fees by Plan type is detailed below. All fees shown are for Plans with 250 or fewer Participants. We additionally provide a custom quotation for Plans with more than 250 Participants. The quote considers asset base, Plan type, and the administration fees necessary for SBA to cover the increased servicing costs involved with a larger number of Participants. For plans serviced through our relationship with Ascensus, LLC, an institutional trade transaction fee will apply for Participants.

Type of Plan	Individual 401(k)	Simplified / Safe Harbor 401(k)	Customized / Traditional 401(k)	Tiered Profit Sharing 401(k)
Works Best For	Solo Owner(s) planning to save \$6,000 or more per year	Plans/Employers seeking to maximize owner contributions and avoid IRS non-discrimination tests	Plans/Employers seeking flexible matching, vesting, and profit sharing options	Plans/Employers seeking to reward employees by group, tenure, or age
One-time Set-Up Fee	<p>\$150 for Plans with less than \$250,000 in assets;</p> <p>No charge for Plans with more than \$250,000</p>	<p>Under \$500,000 in assets: \$495</p> <p>\$500K - \$1,999,999: \$400</p> <p>\$2 million to \$4,999,999: \$250</p> <p>Over \$5 million: No charge</p>	<p>Under \$500,000 in assets: \$750</p> <p>\$500K - \$1,999,999: \$600</p> <p>\$2 million to \$4,999,999: \$450</p> <p>Over \$5 million: No charge</p>	<p>Under \$500,000 in assets: \$995</p> <p>\$500K - \$1,999,999: \$750</p> <p>\$2 million to \$4,999,999: \$500</p> <p>Over \$5 million: No charge</p>
<p>Monthly Admin Fee, based on number of Participants, and charged to Plan Sponsor.</p> <p><i>Maximum shown applies only to Plans with 250 or fewer Participants</i></p>	<p>From \$0 to \$25 per month based on number of Participants and asset base.</p> <p>No charge for Plans with more than \$250 thousand in assets.</p>	<p>From \$0 to \$395 per month, based on number of Participants and asset base.</p> <p>No charge for Plans with more than \$5 million and fewer than 250 Participants</p>	<p>From \$0 to \$410 per month, based on number of Participants and asset base. No charge for Plans with more than \$5 million and fewer than 250 Participants</p>	<p>From \$0 to \$410 per month, based on number of Participants and asset base. No charge for Plans with more than \$5 million and fewer than 250 Participants</p>

Type of Plan	Individual 401(k)	Simplified /Safe Harbor 401(k)	Customized / Traditional 401(k)	Tiered Profit Sharing 401(k)
Asset Management Fee	See Chart Below	See Chart Below	See Chart Below	See Chart Below
Per Participant Fee Assessed to Participants	None	None for Plans with fewer than 250 Participants;	None for Plans with fewer than 250 Participants;	None for Plans with fewer than 250

Asset-Based Fee Charged to Plan Participants (Plans with Fewer than 250 Participants):

Total Assets in Plan	Annual Fee
\$0 - \$499,999	.75%
\$500,000 - \$1,999,999	.65%
\$2,000,000 - \$4,999,999	.55%
\$5,000,000 - \$7,999,999	.45%
\$8,000,000+	.10% - .75%

In some situations, administration and asset-management rates have been negotiated that are different than our standard pricing. For example, we will provide a custom quotation for Plans with more than 250 Participants. Our quotes consider asset base, plan type, and the administration fees necessary for us to cover the increased servicing costs involved with a larger number of participants.

How Plan Sponsor and Participants Are Charged

Most of our billing functions are performed by third party administrators (“TPAs”). We use two different TPAs: Plan Administrators, Inc. (“PAI”) and Ascensus, LLC (“Ascensus”). These TPAs are unaffiliated with SBA and with each other. We assign, and Plan Sponsors confirm, new Plans to a particular TPA based on the Plan type, the number of Participants, and other factors. New Individual 401(k) Plans are typically assigned to PAI; Plans with more than 250 Participants are assigned to Ascensus because PAI typically does not administer Plans with a larger number of Participants.

Employers will receive disclosure documents and agreements directly from the TPA associated with their Plan. Plans are not implemented until all agreements with the TPA are executed.

A summary of fee charges is detailed below.

- For Plans with less than \$5 million in assets, SBA charges the Plan Sponsor a one-time set-up fee at the time the Plan is purchased. This fee is paid through our website to establish the Plan and is not usually refundable. For Plans with less than \$500,000 in assets, SBA retains a small portion of the set-up fee, and most of it is paid to the TPA
- The assigned TPA bills the Plan Sponsor for the monthly administration fee, if applicable. This is paid by direct debit from the Plan Sponsor's bank account. Plan Sponsors do not have the option to pay by another method. PAi charges the administration fee one month in advance, while Ascensus charges the fee in arrears on a quarterly basis. Termination information is found in the agreement all Plan Sponsors execute directly with the TPA. As described above, in some instances, SBA shares in part of the monthly administration fee; when this occurs, the amount SBA retains varies based on the size of the Plan. For Solo 401k plans served by Ascensus that terminate, SBA shares in a part of the termination fee.
- For Plans greater than 250 Participants, a per-Participant fee can be assessed to the Participant as described above. When applicable, it is collected quarterly by the TPA. The fee is deducted directly from the Participant's account unless the employer opts to pay for it directly. The TPA remits 100% of these fees to SBA or uses them to offset other fees SBA owes to the TPA.
- For Plans administered by Ascensus, an institutional transaction charge also applies for participants that trade in the Plan. This \$0.025/share is charged by Mid-Atlantic Capital Group (Mid-Atlantic or MACP) for trade services and is applied to the price of the ETF. Neither Ascensus or SBA share in this charge.
- Asset-based fees are also deducted quarterly by the TPA directly from Participant accounts, in arrears. The TPA deducts the fee directly from the account without further notice to or consent of the Plan Sponsor or Participant. SBA has no authority to deduct the fee. The fee is calculated by determining the daily average value over the prior calendar quarter in the Participant's account, multiplying this value by the stated annual fee, and dividing by four.

For example, a Plan has \$2.5 million in total assets with SBA and has agreed to an annual fee of 0.55% (.0055). The TPA receives information about pricing data over the prior quarter and calculates that Participant A had a daily average balance of \$110,000. The fee is calculated as follows:

$$\$110,000 \times .0055 = \$605.$$

$$\$605/4 = \$151.25.$$

$$\$151.25 = \text{the quarterly fee charged to the Participant by the TPA.}$$

Average daily account values are recorded by the TPA based on daily closing pricing data obtained from the broker-dealer the TPA executes trades.

Of the Asset fees charged, the TPA remits the entire amount to SBA, except for Individual 401(k) Plans. For Individual 401(k)s, PAi retains 0 to 15 basis points (.0015) from the total fee and Ascensus retains 10 basis points (.0010) from the total fee. The amount retained by the TPA doesn't change the total amount charged to the Participant.

In rare instances, SBA will serve as the ERISA 3(38) advisor on a Plan but not bundle with a TPA. The TPA costs and services are completely separate in this situation. Under such circumstances, SBA would not share in any setup, administration charge, and would only charge the asset management fee.

Marketing Agreements and Referral Arrangement

SBA may from time to time, receive referrals from non-affiliated Registered Investments Advisors (RIA) or registered Broker/Dealers (BD) or their registered employees, whom we refer to as Solicitors. Clients purchasing SBA Plans through Solicitors' referrals can pay higher fees than those shown on SBA's Standard Fee Schedule. With the Plan Sponsor's agreement, Solicitors may charge for their services; however, SBA caps the amount a Solicitor may charge at 50bps (additive to SBA's Standard Fee Schedule).

Please see Item 14 for details.

Other Costs to Plan Sponsors or Plan Participants

Since the 401k program is offered through a web-based platform, Plan Sponsors and Participants are dependent on internet access and are responsible for associated costs.

The TPAs, who are responsible for Plan and Participant recordkeeping, also assess charges for certain transactions, such as withdrawals and loans. Detailed information on these charges is provided to Plan Sponsors at the time they set up the Plan. The TPA is responsible for ongoing notice to the Plan of future fee changes.

For Plans administered by PAi, Plan Participants are not charged commissions or other transaction fees. For Plans administered by Ascensus, Plan Participants may be charged an institutional transaction fee by Mid Atlantic when they invest.

Expense Ratios & Brokerage Costs

We provide advice to Plan Sponsors on the selection and periodic modification of investment options and we provide Model Portfolios composed exclusively of a subset of 20 ETFs that are selected by our Investment Committee. ETFs are not traditional mutual funds, but are often compared with them for investment purposes and are traded on national stock exchanges.

ETFs selected by us for use in the Model Portfolios represent shares in "basket of companies" that make up a recognized index. ETFs are priced throughout the day and are typically purchased or sold at the current market price. Some ETFs may have lower expense ratios than comparable mutual funds. However, unlike mutual funds with structured sales loads, investors often pay individual transaction fees or commissions to brokers when they purchase ETFs.

Other investments selected for the Investment Roster include Money Market Mutual Funds and Commodity ETFs. MMFs trade once daily at end of day prices while commodity ETFs are structured as trusts and trade throughout the day.

For Plans administered by PAi, Plan Participants are not charged commissions or other transaction costs. For Plans administered by Ascensus, Plan Participants may be charged an institutional trading cost by MACG. See Item 12.

Past Due Accounts and Termination

Pursuant to the terms and conditions of the 401K services agreement, SBA and/or the TPA can terminate services at any time in the event an account is overdue for payment of services. Plan Sponsors can terminate their accounts with us at any time by contacting us verbally and/or in writing and must complete required forms. The TPAs serving the Plan typically require specific notice periods, as described in the separate agreements Plan Sponsors execute with those companies.

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

SBA does not charge or accept performance-based fees or participate in side-by-side management. Performance based fees are fees that are based on a share of a 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. SBA's fees are calculated as described in the Fees and Compensation section and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Item 7 – Types of Clients

SBA generally provides advice about 401K Plan design and investments offered in a 401(k) Plan to Employers (Plan Sponsors) and SBA makes a limited number of investment choices and Model Portfolios available to Plan Participants. SBA's Clients are businesses or business owners. SBA does not offer personalized investment advice. SBA also offers no tax advice to Plans, Plan Sponsors or Plan Participants.

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

Method of Analysis

We select securities that are included for your 401(k) plan line up as well as the asset allocations for SBA's Model Portfolios. Our investing approach includes reliance on Modern Portfolio Theory (MPT), which suggests that investors can limit the volatility in their portfolio (a combination of individual investments), while improving its performance, by spreading the risk among different types of securities that do not always behave the same way. It is a principle of investing that higher potential returns carry higher risk, and conversely, for lower risk, investors must accept lower expected returns. According to MPT, a portfolio exhibits risk and return characteristics based on its composition and the way those components correlate with each other. For each level of risk, there is an "optimal" asset allocation that is designed to produce the best balance of risk versus return. An optimal portfolio will provide neither the highest returns, nor the lowest risk of all possible portfolio combinations—it will attempt to balance the lowest risk for a given level of return and the greatest return for an acceptable level of risk.

ShareBuilder 401k takes an indexing approach to your 401(k) plan line-up leveraging ETFs, Commodity Trusts and one money market fund. The investment analysis information generated by us is hypothetical, does not reflect actual investment results, and does not guarantee future results. Our analysis primarily focuses on index ETFs that track broad indices, including foreign equity, domestic equity, and bond indices, and may provide investors with diversification, cost and tax efficiency, and liquidity. Other investment vehicles that are not included in the modeling process may have characteristics similar or superior to mutual funds, ETFs, or index funds. The product line up is reviewed, at minimum, on an annual basis, and Model Portfolios are reviewed each quarter according to specific criteria designed at the direction of the Investment Committee.

The main sources of information used in our analysis include financial periodicals, research materials prepared by others, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

Investment Strategies

SBA does not have discretionary authority over plan participant accounts and, except as described below in Item 16, does not otherwise implement investment choices. SBA does not offer personalized advice to clients.

As noted, our Investment Committee ("Committee") oversees the investment options available in Clients' Plans along with overseeing the composition of the five Model Portfolios (from stable to aggressive). The Committee consists of investment professionals including at least two (2) voting members with advanced industry credentials (Chartered Financial Analysts, CFA, and Certified Financial Planners, CFP). To assist in our analysis, we utilize a model we obtain from an unaffiliated third-party company. This model helps our Committee evaluate different elements of risk in a portfolio, as well as potential expected returns, and informs the Committee's construction of the Model Portfolios. There is no guarantee that use of this model will lead to any specific returns or protect against loss.

With this model and other data, as well as other internal and external resources, the investment options are selected, and Model Portfolios are constructed in line with the ShareBuilder Advisors' 401k Investment Philosophy and Policy. Our general policy objectives for the program include asset diversification, historical performance and low fund expenses. The Model Portfolio allocations may be adjusted based on several factors, including expected returns, asset concentration, volatility, economic climate, and external market factors such as liquidity of ETFs.

The Model Portfolios are constructed with set investment time horizons ranging from 1-3 years to over 10-20 years and are not expected to have frequent allocation changes based on normal market conditions. The underlying ETFs, in turn, will possess individual risk/return characteristics based on the investment objective of the ETF described in the prospectus and provided to Participants via SBA's website.

The information below describes key elements of SBA's ETF selections and their corresponding asset class. The Model Portfolios and the investment objectives described are not a prediction or guarantee of future performance; rather, they describe an approach to the portfolios and results that SBA hopes to achieve in creating them. The Model Portfolio objectives and the ETF selections are described on the following pages.

Model Portfolio Objectives

In describing the risks below, it is important to understand that for the Program, we select investment options and build Model Portfolios solely for 401(k) Plans. Our choices begin with a relatively conservative objective: saving for retirement. The goal for each portfolio is asset allocation that provides diversification with an objective towards saving for retirement, and the investment options selected for each portfolio are selected in alignment with the stated objective and are intended to meet established investment criteria. SBA utilizes a combination of ETFs to build its model portfolios.

STABLE PORTFOLIO—Investors in this portfolio typically have a need for near-term liquidity and limited volatility. The objective is present income with minimal risk from market fluctuation. STABLE investors may have a need for modest income or access to principal now or in the next one to two years.

CONSERVATIVE PORTFOLIO—Investors in this portfolio typically have a two-to-five year investment time horizon. Their present income needs may be greater than that of the STABLE investor.

BALANCED PORTFOLIO—Investors in this portfolio typically have a five-to-ten year investment time horizon and choose to diversify across both aggressive, growth-oriented investments and more conservative, income-generating investments. This portfolio emphasizes income over growth.

MODERATE PORTFOLIO—Investors in this portfolio also typically have a five-to-ten year investment time horizon. However, they may be comfortable with a slightly more aggressive balance of investments.

AGGRESSIVE PORTFOLIO—Investors in this portfolio typically have an investment time horizon of more than 10 years and are willing to accept greater volatility—including the loss of principal—in exchange for potentially higher returns over the long-term.

Types of Investments and Associated Risks

Most of the advisory services we provide involve the purchase or sale of securities. All investing involves some level of risk. In many cases, the risks include the potential to lose your entire principal value. All securities sold have disclosure documents that discuss these risks. This disclosure document is commonly referred to as a prospectus but may be called something else depending on the type of security you have purchased. In any case, it is extremely important that you read these documents in their entirety.

If you have any additional questions regarding your investments, please speak with your SBA Advisor immediately for general guidance and education needs.

Described below are some risks associated with investing and with some types of investments that are available through our 401k Program:

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your

financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed above, we recommend a limited number of broad market ETFs and offer for participant selection certain Commodity ETFs and Money Market Funds. Each type of security has its own unique set of risks associated with it and it would be complex to list here all of the specific risks of every type of investment and their underlying securities. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Exchange-traded funds (ETFs)

Exchange-traded funds are investment companies whose shares are bought and sold on a securities exchange. This participation in the market generally provides intraday liquidity. An ETF can be passively managed by holding a portfolio of securities designed to track a particular market segment or index. ETFs can also be designed such that a manager or team makes decisions on the underlying portfolio allocation, thus not adhering to a passive investment strategy. We include in our portfolios ETFs that are both passively managed and broad market segment and index related ETFs. We do not select ETFs that employ higher risk strategies such as inverse or leveraged investments.

Commodity ETFs

A commodity ETF is an exchange-traded fund (ETF) invested in physical commodities, such as agricultural goods, natural resources and precious metals. A commodity ETF is usually focused on either a single commodity — holding it in physical storage — or is focused on investments in futures contracts. Other commodity ETFs look to track the performance of a commodity index that includes dozens of individual commodities through a combination of physical storage and derivatives positions. Some commodity ETFs are structured as Trust shares which are not subject to the same regulatory requirements as traditional ETFs. Commodity ETFs are subject to greater volatility than traditional ETFs and are included in our investment options to provide a range of diversification. These products are not used in our portfolios. Clients should fully understand the risks associated with such products.

Money Market Funds (MMF)

Money market funds, also called money market mutual funds are open-ended mutual funds that invest in short-term debt securities such as US Treasury bills and commercial paper. Money market funds seek a stable net asset value, or NAV per share (which is generally \$1.00 in the United States); they aim to never lose money. However, as noted all investments can experience a loss of value and this is true for MMF.

Investment Roster: (a/o date of this Brochure)

Domestic Equity ETFs	Symbol	Asset Class	Benchmark Index
Vanguard S&P 500 ETF	VOO	Large Cap Blend	S&P 500
Vanguard Growth Index Fund ETF	VUG	Large Cap Growth Equity	CRSP US Large-Cap Growth
PowerShares QQQ	QQQ	Large Cap Growth	NASDAQ 100
SPDR DJIA ETF Trust	DIA	Large Cap Value	Dow Jones Industrial Avg.
Vanguard Value Index Fund ETF Shares	VTV	Large Cap Value	CRSP US Large-Cap Value
iShares MSCI KLD Social 400	DSI	Large Cap Blend	MSCI KLD 400 Social Index
Schwab US Mid Cap	SCHM	Mid Cap Blend	Dow Jones U.S. Mid Cap Total Stock Market Index
iShares Select Dividend	DVY	Mid Cap Value	Dow Jones Select Dividend
iShares Core S&P Small-Cap	IJR	Small Cap Blend	S&P 600 Small-Cap
Specialty Equity ETFs²	Symbol	Asset Class	Benchmark Index
Vanguard REIT	VNQ	Real Estate	MSCI US REIT
iShares Core Emerging Markets	IEMG	Diversified Emerging	MSCI Emerging Markets Investable Market Index
Vanguard Developed Markets Index Fund ETF	VEA	Foreign Large Blend	MSCI EAFE
PowerShares DB Commodity Index Tracking Fund ²	DBC	Commodities Broad Basket	DBIQ Optimum Yield Diversified Commodity Index Excess Return
iShares Gold Trust ²	IAU	Commodities Precious Metals	London PM Fix Price

² The PowerShares DB Commodity Index Tracking Fund and iShares Gold Trust are not deemed an investment company registered under the Investment Company Act of 1940 or a commodity pool for purposes of the Commodity Exchange Act. Trust shares are not subject to the same regulatory requirements as traditional ETFs.

Fixed Income ETFs		Asset Class	Benchmark Index
Schwab Short-Term U.S. Treasury	SCHO	U.S. Gov. Bonds Short Term	Barclays US Treasury 1-3 year
iShares 7-10 Year Treasury Bond	IEF	U.S. Gov. Bonds Intermediate	Barclays Capital 7-10 Treasury
Vanguard Total Bond Market Index Fund ETF	BND	U.S. Corporate & Government Bonds	Barclays Capital Aggregate Bond
Vanguard Short-Term Inflation-Protected Securities	VTIP	Inflation-Protected Bond	Bloomberg Barclays U.S. TIPS 0-5 Year Index
SPDR Barclays International Treasury Bond	BWX	World Bond	Barclays Capital Global Treasury Ex-US Capped Index
iShares J.P. Morgan USD Emerging Markets Bond	EMB	Emerging Markets Bond	J.P. Morgan EMBI Global Core Index
Stable Value Fund		Asset Class	Benchmark Index
Dreyfus Government Cash Management Fund ³	DGCXX	Money Market Fund	Stable Value income

³ Dreyfus Government Cash Management Fund is a Money Market Fund

Item 9 – Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. SBA and our personnel have not been involved in any legal or disciplinary events that would be material to a client's evaluation of the company or its personnel.

Item 10 – Other Financial Industry Activities and Affiliations

SBA and its management team have no industry affiliates.

Item 11 – Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Supervised Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Supervised Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any of our Supervised Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

SBA or individuals associated with SBA may, for their own accounts, buy or sell securities identical to those recommended to Clients. As these situations may present a conflict of interest, SBA's Code of Ethics (COE) sets forth ethical standards of business conduct that its employees must follow. It is the policy of SBA that priority will always be given to the client's orders over the orders of an employee.

Item 12 – Brokerage Practices

Plan Sponsors establishing a plan through SBA typically must use a TPA we recommend. Each TPA has agreements with a broker-dealer that it directs aggregated trades for all SBA Plans served by the TPA.

PAi submits ETF and money market transactions to Apex Clearing, LLC ("Apex"), which then

provides brokerage execution for aggregated transactions. Ascensus submits ETF transactions to Mid-Atlantic Capital Group ("Mid-Atlantic" or "MACG") for a batch execution based on ETFs daily closing market price. Ascensus submits the money market trades direct to the NSCC.

For Plans administered by PAi, Apex will aggregate and process trades during market hours. Apex will treat each order equally and the average share price is delivered when aggregating orders. The price may be higher or lower than the price plan sponsors would receive if their trades had been executed individually. SBA reviews the best execution policies and performance of Apex to ensure reasonable standards of best execution are met. Apex is also obligated to seek best execution as a broker dealer and clearing firm. There is always a risk the most favorable execution is not achieved.

For Plans administered by Ascensus, MACG will process a batch execution of ETF trades based on each ETF's daily closing market price. This is typically managed via ETF inventory of MACG's versus a market order. We periodically review (Ascensus) MACG's trading and execution statistics to ensure adherence to stated procedures. Given the price is always based on end of day closing price, best execution is not applicable.

The trading methodologies utilized by each respective TPA are different (closing price for Ascensus/MACG serviced plans vs. intraday market price for PAi/Apex). These are the approaches supported by each provider respectively. Note that SBA has an agreement with Apex to cover trading costs for clients. This is a wholesale cost for institutional trading. For those serviced by Ascensus/MACG, a \$0.025 per share cost is applied to the ETF price for those participants that trade on any given day.

SBA does not receive "Soft Dollars" in regard to serving 401(k) plan sponsors. Soft Dollars generally refers to arrangements whereby a discretionary investment advisor is allowed to pay for and receive research related, or execution services from a broker-dealer or third-party provider, in addition to the execution of transactions, in exchange for the brokerage commissions from transactions for client accounts.

Item 13 – Review of Accounts and Reports

Periodic Reviews of 401(k) Services

The Investment Roster is reviewed annually with quarterly reviews of funds on the watch list. The Model Portfolios are reviewed quarterly. Reviews are done by the Investment Committee analyst under the direction of the Investment Committee. Adjustments to the Investment Roster and Model Portfolio holdings are made by the Investment Committee as needed. (See Item 16, Discretion, for more information.) All assets are held on an omnibus basis through the Plans' TPAs. All financial advice is limited to the Investment Roster offering and the Model Portfolios for the plan sponsor and made on a non-personalized basis. The Investment Roster and Model Portfolios are limited to broad market or index based ETFs, Commodity ETFs and Money Market Mutual Funds. SBA does not have access to either individual Participant holdings or the holdings of individual Plans. Because the TPAs are responsible for recordkeeping and servicing, we do not review Plans or Participant accounts. Participants interested in having their accounts rebalanced must contact their respective TPA for information on one-time or regular automatic rebalancing options.

Regular Reports

The firm's Investment Committee makes assessments and updates to the various portfolios. Updates to portfolio structure and allocation are typically executed the first of the month following the Investment Committee decision and are available via the ShareBuilder401k website. SBA provides an "Investment Roster Review" report to Plan sponsors as regular reviews occur; these reports are not provided directly to Participants. Participants can view account holdings, activity and balances online as provided by the Participant's TPA. Participants are notified by SBA of any fund changes via email to the roster at least 30 days in advance.

Review Triggers

Besides the scheduled annual and quarterly reviews, other conditions can trigger a review of the investment options or the Model Portfolios, such as changes in market conditions, new investment information, and availability of investment products. Changes to the ETF options or to the Model Portfolios have, on average, been made 1-2 times per year.

Item 14 – Client Referrals and Other Compensation

We may from time to time, receive referrals from non-affiliated Registered Investments Advisors (RIA) or registered Broker/Dealers (BD) or their registered employees whom we refer to as Solicitors. In order to receive compensation, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this brochure along with the Solicitor's disclosure statement at the time of the referral.

When we receive referrals from non-affiliated RIAs or BDs, we have agreed that they have the option, with the Plan Sponsor's acceptance, to charge up to an additional 50 basis points (.0050) annually, on top of our standard asset-based fees. This referral fee is collected by the TPA, remitted to us and paid to the solicitor by us. Plan Sponsors must evaluate the additional services (dependent on the discretion of the Plan Sponsor) they receive from these providers to determine if those services are (1) necessary to the operation of the Plan and (2) if the additional fee constitutes reasonable compensation for the services received.

Clients purchasing Plans through Solicitors can pay higher fees than those shown on SBA's Standard Fee Schedule, to the extent the other service provider charges for its own services by increasing the standard SBA fee (up to .50 basis points).

Through these arrangements, Solicitors receive compensation up to a maximum rate of 0.005% (50 basis points) annually of assets under management. This compensation is provided by SBA to the Solicitor, and takes the form of an additional charge against assets under management beyond the maximum 75 basis points (.0075%) SBA charges annually to the Plan Sponsors. Fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms. Should Plan Sponsors elect to enter in to a new Plan purchase directly with SBA, such charge would not be present.

Plan Sponsors must evaluate the additional services they receive from Solicitors to determine if those services are (1) necessary to the operation of the Plan and (2) if the additional fee is no more than reasonable compensation for the services received.

Clients purchasing Plans through Solicitors, or other IAs, will pay higher fees than those shown on SBA's Standard Fee Schedule.

Other Arrangements

SBA has entered in to significant contractual relationships with unaffiliated TPAs, Ascensus and PAi. The TPAs provide ongoing administrative services, as well as the individual participant accounting described above, and may also introduce new clients to SBA. The fees charged under these arrangements are fully described in Item 5, Fees and Compensation.

Item 15 – Custody

Investment advisors are subject to specific rules governing how Client assets are maintained and accounted for. The rules are devised to ensure that appropriate protections are in place to prevent fraud or theft, and to assure the ongoing accuracy of records provided to clients detailing their holdings, transactions, and the valuation of their investments.

The SEC's custody rules have several components, including the requirement to maintain all client assets with a "qualified custodian." The idea behind this is to ensure that assets are kept with a regulated company that has in place the systems, procedures, and competencies necessary to properly account for client holdings and transactions. SBA does not have custody of Client assets as described by these rules.

We believe it's important for you to understand our custody arrangements.

We maintain arrangements with several different entities to handle transactions, hold customer assets, charge advisory fees, and provide account statements. SBA does not have direct access to any Participant's account.

The TPA assigned to and accepted by each Plan maintains all data regarding that Plan, including the transactions and holdings specific to Participants. The Trust Company of each TPA sends trade information on an aggregated basis. PAi Trust sends to Apex for execution and Ascensus sends to MACG for execution.

At no time does Apex or MACG know the identity of the individual Plan Participants or Plan Sponsors originating the orders. Apex and MACG have procedures and systems in place to reconcile records with those of PAi and Ascensus respectively. Apex and MACG pass trades and holding information back to the TPA on an aggregated basis. The TPA is then responsible for accounting for all transactions and positions at the individual Plan and Participant level and for delivering statements. Clients are highly dependent on the accuracy of the systems used by the TPAs to account for their invested assets. SBA has no control over these systems.

Account Statements

The TPAs provide statements of activity via sub-accounting to the Plan Sponsor and the individual Participant(s). SBA does not account for Participant holdings separately or otherwise

provide reporting on an individualized basis. Clients should review the statements received from the TPAs carefully and notify both SBA and the TPA of any discrepancies immediately.

Item 16 – Investment Discretion

SBA's Investment Committee is solely responsible for determining the investment options, called the Investment Roster, made available through the 401(k) Services Platform, as well as the construction of the Model Portfolios, including changes to their make-up and allocations. Participants and Plans do not have the choice of retaining ETFs that are no longer offered by the Program.

When the Investment Committee elects to remove, and replace an ETF offered on the 401(k) Services platform, we will notify the TPAs of the change. SBA (and typically the TPAs) will notify the Plans and Participants of the ETF change and transaction date. On the transaction date, all investments in the ETF being removed are sold and the proceeds are used to purchase the ETF being added in its place for all Participants and Plans.

When the Investment Committee elects to remove, or replace an ETF used in a Model Portfolio, and/or change the percentage allocation for any of the ETFs in a Model Portfolio, we notify the TPAs of the change. Both SBA and/or the TPAs will notify the Plans of the Model Portfolio change and effective date.

Due to its ability to remove or replace a particular ETF offered on the 401K Services platform, the Investment Committee is considered to have discretion with respect to the 401(k) Program accounts. The discretion is exercised on an intermittent basis and is based upon the Investment Committee's assessment of the performance and management of the ETF in relation to overall investment objective of the Model Portfolio.

Item 17 – Voting Client Securities

We vote proxy votes on behalf of our clients. In accordance with SEC Rule 206(4) - 6, we have adopted Proxy Voting Policies and Procedures to follow a process designed to ensure we vote proxies (or similar instruments) in the best interest of our clients. We have engaged a non-affiliated third party, Broadridge, to provide to us their proprietary analysis information. The Investment Committee reviews that information and makes a decision as to voting. Clients cannot direct our vote in any particular solicitation. You may contact us via the email listed above for more detail regarding this policy.

Item 18 – Financial Information About SBA

SBA does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.