

Bouvel Investment Partners, LLC

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Bouvel Investment Partners, LLC

Brochure

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This brochure provides information about the qualifications and business practices of Bouvel Investment Partners, LLC (the “Registrant”). If you have any questions about the contents of this brochure, please contact us at (610) 933-3300 or Pierre@bouvel.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Bouvel Investment Partners, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

References herein to Bouvel Investment Partners, LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 Material Changes

There have been no material changes made to Bouvel Investment Partners, LLC's disclosure statement since last year's Annual Amendment filing on February 4, 2010.

Item 3 Table of Contents

Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents.....	2
Item 4	Advisory Business	3
Item 5	Fees and Compensation	6
Item 6	Performance-Based Fees and Side-by-Side Management.....	9
Item 7	Types of Clients.....	9
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9	Disciplinary Information.....	14
Item 10	Other Financial Industry Activities and Affiliations	14
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	15
Item 12	Brokerage Practices	16
Item 13	Review of Accounts.....	17
Item 14	Client Referrals and Other Compensation	18
Item 15	Custody	18
Item 16	Investment Discretion	19
Item 17	Voting Client Securities	19
Item 18	Financial Information	19

Item 4 **Advisory Business**

- A. Bouvel Investment Partners, LLC (the “Registrant”) is a limited liability company formed on January 11, 2000 in the State of Delaware. The Registrant became registered as an Investment Adviser Firm in July 2000 under the name of Security Advisor Network, LLC and changes to Bouvel Investment Partners, LLC on November 17, 2008. The Registrant is principally owned by Jean Pierre Bouvel and Stephane Eric Bouvel. Mr. Bouvel is also the Registrant’s Managing Member.
- B. As discussed below, the Registrant offers to its clients (individuals, business entities, pension and profit sharing plans, trusts, estates and charitable organizations, etc.) investment advisory services. The Registrant **does not** hold itself out as providing financial planning, estate planning or accounting services. However, to the extent specifically requested by a client, Registrant *may* provide limited financial planning and consultation services on a stand-alone basis.

INVESTMENT ADVISORY SERVICES

The client can determine to engage the Registrant to provide investment advisory services on limited discretionary and/or non-discretionary on a *fee* basis. The Registrant shall receive an annual investment management fee based upon a percentage of the market value of the assets being managed by Registrant. The engagement shall include investment management services. The Registrant’s annual investment management fee shall be dependent upon the market value of the assets placed under the management and the specific investment program or service designated by the client (i.e. Vision 2020 Program Wrap Fee Option or the Vision 2020 Program Non-Wrap Fee Option. *See* discussion below).

VISION 2020 PROGRAM

Registrant offers its clients the VISION2020 Advisor Program (“*Vision Program*”). The *Vision Program* is sponsored by Royal Alliance Associates (“*Royal*”), an SEC registered FINRA member broker dealer.. As the sponsor of the *Vision Program*, *Royal* has created a brochure for the *Vision Program* setting forth the terms and conditions for participation, which will be distributed to the Registrant’s clients prior to or concurrent with their engagement in the *Vision Program*. Clients should read it thoroughly before investing.

The *Vision Program* provides comprehensive investment management of client assets through the provision of asset allocation planning software as well as execution, clearing and custodial services. The *Vision Program* also provides clients access to risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, as well as portfolio optimization and re-balancing tools.

The *Vision Program* may be offered by the Registrant on either a discretionary or non-discretionary basis. In a discretionary account, the Registrant may purchase or sell load waived, no-load mutual funds and other equity and debt securities for a client’s accounts without obtaining specific client approval for each transaction. In a non-discretionary

account, the Registrant will only purchase or sell securities which have been approved by clients in advance.

The *Vision Program* is offered as a “Wrap Account” which bundles advisory fees, administrative fees, and transaction charges into one asset-based fee. Alternatively, the transaction charges can be unbundled from the advisory and administrative fees. The complete schedule of *Vision Program* fees is set forth in the Program Brochure created by *Royal* and provided by the Registrant to its clients prior to or concurrent with their engagement in the Program. In evaluating a wrap fee arrangement, a client should recognize that Registrant does not negotiate brokerage commissions for the execution of transactions in a client’s account. Transactions are effected “net” (that is, without commission), and a portion of the wrap fee is generally considered as being in lieu of commission. When consistent with best execution, trades are to be executed with the broker-dealer participating in the wrap fee program. Depending upon the level of the wrap fee, the amount of portfolio activity in the client’s account, the value of custodial and other services provided under the *Vision Program* and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant’s planning and consulting fees are negotiable, but generally range from \$250 to \$350 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including the Registrant’s representatives in their individual capacities as registered representatives of broker-dealer and/or licensed insurance agents. (***See*** disclosure at Item 10 C.1 and 10 C.8). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client’s responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant’s previous recommendations and/or services.

MISCELLANEOUS

Limited Consulting/Implementation Services. Although the Registrant does not hold itself out as providing financial planning, estate planning or accounting services, to the extent specifically requested by the client, the Registrant *may* provide limited

consultation services to its investment management clients on investment and non-investment related matters, such as estate planning, tax planning, insurance, etc. Registrant shall not receive any separate or additional fee for any such consultation services. Neither the Registrant, nor any of its representatives, serves as an attorney or accountant and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional.

Please Note: Non-Discretionary Service Limitations. Clients that determine to engage the Registrant on a non-discretionary investment advisory basis **must be willing to accept** that the Registrant cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the client. Thus, in the event of a market correction during which the client is unavailable, the Registrant will be unable to effect any account transactions (as it would for its discretionary clients) **without first obtaining the client's verbal consent.**

Please Note: Cash Positions. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), the Registrant **may** maintain cash positions for defensive purposes. All cash positions (money markets, etc) shall be included as part of assets under management for purposes of calculating the Registrant's advisory fee. **The Registrant's Chief Compliance Officer, Jean Pierre G. Bouvel, remains available to address any questions that a client or prospective may have regarding the above fee billing practice.**

Trade Error Policy. Registrant shall reimburse accounts for losses resulting from the Registrant's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled within the Registrant's custodian firm account and Registrant retains the net gains and losses.

Client Obligations. In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

Disclosure Statement. A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement or Financial Planning and Consulting Agreement*. Any client who has not received a copy of Registrant's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement or Financial Planning and Consulting Agreement* shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

- C. The Registrant shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). The Registrant shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at anytime, impose restrictions, in writing, on the Registrant's services.
- D. The Registrant does not offer a wrap fee program to its clients for its investment advisory services. However, the Registrant is a participating investment adviser in certain unaffiliated wrap and managed account fee programs. There is no significant difference between how the Registrant manages wrap fee accounts and non-wrap fee accounts. However, if a client determines to engage an investment adviser in certain unaffiliated wrap and managed account fee programs on a wrap fee basis, the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). With respect to the wrap-fee and managed account programs in which the Registrant is a participating investment adviser, clients pay their fees directly to the sponsoring brokers who, in turn, remit a portion of those fees to the Registrant. **Please Note:** When managing a client's account on a wrap fee basis, the Registrant shall receive as payment for its investment advisory services, a portion of the balance of the wrap fee after all other costs incorporated into the wrap fee have been deducted.

Please Note (Wrap/Managed Account programs): In the event that the Registrant is engaged to provide investment management services as part of an unaffiliated wrap-fee program, the Registrant will be unable to negotiate commissions and/or transaction costs. Under a wrap program, the wrap program sponsor arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately. In the event that the Registrant is engaged to provide investment management services as part of an unaffiliated managed account program, the Registrant will likewise be unable to negotiate commissions and/or transaction costs. If the program is offered on a non-wrap fee basis, the program sponsor will determine the broker-dealer through which transactions must be effected, and the amount of transaction fees and/or commissions to be charged to the participant investor accounts.

- E. As of January 1, 2011, the Registrant had \$69,780,727 in assets under management on a discretionary basis and \$858,511 in assets under management on a non-discretionary basis.

Item 5 Fees and Compensation

- A. The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis.

INVESTMENT ADVISORY SERVICES

If a client determines to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a *fee* basis. The Registrant's annual investment management fee shall be dependent upon the market value of the assets placed under the management and the specific investment program or service designated

by the client (i.e. Vision 2020 Program Wrap Fee Option or the Vision 2020 Program Non-Wrap Fee Option) as follows:

Vision 2020 Program Non-Wrap Fee Option

<u>Market Value of Portfolio</u>	<u>Annual Fee %</u>
\$50,000 to \$249,999	2.30%
\$250,000 to \$499,999	2.05%
\$500,000 to \$749,999	1.80%
\$750,000 to \$1,249,999	1.55%
\$1,250,000 to \$1,999,999	1.30%
\$2,000,000 to \$24,999,999	1.05%
\$25,000,000 and over	0.80%

Vision 2020 Program Wrap Fee Option

<u>Market Value of Portfolio</u>	<u>Annual Fee %</u>
\$50,000 to \$249,999	2.50%
\$250,000 to \$499,999	2.25%
\$500,000 to \$749,999	2.00%
\$750,000 to \$1,249,999	1.75%
\$1,250,000 to \$1,999,999	1.50%
\$2,000,000 to \$24,999,999	1.25%
\$25,000,000 and over	1.00%

FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees are negotiable, but generally range from \$250 to \$350 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

- B. Clients may elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/ clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend that Royal Alliance Associates ("Royal"), an SEC registered FINRA member broker dealer with which the Jean Pierre G. Bouvel and Stephane E. Bouvel are associated, and/or Pershing, LLC ("Pershing") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Royal* and *Pershing* charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity

and fixed income securities transactions). In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

Because Jean Pierre G. Bouvel and Stephane E. Bouvel are also registered representatives of *Royal*, *Royal* requires that all trading be conducted through *Royal's* clearing relationship with *Pershing*. *Royal* has determined that it will not give Registrant authorization to process securities transactions involving asset-based compensation away from *Royal/Pershing*. As a result, Registrant does not have the discretion to choose the broker-dealer or commission rates to be paid.

However, Registrant reasonably believes that *Pershing's* blend of execution services, commission and transaction costs as well as professionalism allows Registrant to satisfy its best execution requirements.

- D. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. The Registrant generally imposes an account minimum of \$50,000 for investment advisory services. The Registrant, in its sole discretion, may reduce or waive its account minimum requirements and/or charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment Advisory Agreement*. Upon termination, the Registrant shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

- E. **Commission Transactions.** In the event that the client desires, the client can engage Jean Pierre Bouvel and/or Stephane Eric Bouvel, in their individual capacities, as a registered representatives of Royal Alliance Associates, Inc. ("*Royal*"), an SEC registered and FINRA member broker-dealer, to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through *Royal*, *Royal* will charge brokerage commissions to effect securities transactions, a portion of which commissions *Royal* shall pay to either Jean Pierre Bouvel and/or Stephane Eric Bouvel, as applicable. The brokerage commissions charged by *Royal* may be higher or lower than those charged by other broker-dealers. In addition, *Royal*, as well as Jean Pierre Bouvel and/or Stephane Eric Bouvel, as applicable, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

1. **Conflict of Interest:** The recommendation that a client purchase a commission product from *Royal* presents a ***conflict of interest***, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Jean Pierre Bouvel and/or Stephane Eric Bouvel. **The Registrant's Chief Compliance**

Officer, Jean Pierre Bouvel, remains available to address any questions that a client or prospective may have regarding the above conflict of interest.

2. **Please note:** Clients may purchase investment products recommended by Registrant through other, non-affiliated broker dealers or agents.
3. The Registrant does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products the Registrant recommends to its clients.
4. When Registrant's representatives sell an investment product on a commission basis, the Registrant does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, the Registrant's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as previously discussed). **However,** a client may engage the Registrant to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from Registrant's representatives on a separate commission basis

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

Item 7 Types of Clients

The Registrant's clients shall generally include individuals, business entities, pension and profit sharing plans, trusts, estates and charitable organizations, etc.) investment advisory services. The Registrant generally imposes an account minimum of \$50,000 for investment advisory services. The Registrant, in its sole discretion, may reduce or waive its account minimum requirements and/or charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

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

- A. The Registrant may utilize the following methods of security analysis:
- **Fundamental** - (analysis performed on historical and present data, with the goal of making financial forecasts)
 - **Technical** – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

The Registrant may utilize the following investment strategies when implementing investment advice given to clients:

- **Long Term Purchases** (securities held at least a year)

- Short Term Purchases (securities sold within a year)

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases and Short Term Purchases - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy.

- C. Currently, the Registrant primarily allocates client investment assets among various individual equity, grantor trusts (which are not registered under the Investment Company Act of 1940), mutual funds (including no-load funds and load waived funds) and/or exchange traded funds, on a discretionary and/or non-discretionary basis in accordance with the client's designated investment objective(s).

VISION 2020 PROGRAM

As discussed above, the Registrant offers its clients the VISION2020 Advisor Program ("*Vision Program*"). The *Vision Program* is sponsored by *Royal*. As the sponsor of the *Vision Program*, *Royal* has created a brochure for the *Vision Program* setting forth the terms and conditions for participation, which will be distributed to the Registrant's clients prior to or concurrent with their engagement in the *Vision Program*. Clients should read it thoroughly before investing.

The *Vision Program* provides comprehensive investment management of client assets through the provision of asset allocation planning software as well as execution, clearing and custodial services. The *Vision Program* also provides clients access to risk tolerance assessment, efficient frontier plotting, fund profiling and performance data, as well as portfolio optimization and re-balancing tools.

The *Vision Program* may be offered by the Registrant on either a discretionary or non-discretionary basis. In a discretionary account, the Registrant may purchase or sell load waived, no-load mutual funds and other equity and debt securities for a client's accounts without obtaining specific client approval for each transaction. In a non-discretionary account, the Registrant will only purchase or sell securities which have been approved by clients in advance.

The *Vision Program* is offered as a "Wrap Account" which bundles advisory fees, administrative fees, and transaction charges into one asset-based fee. Alternatively, the transaction charges can be unbundled from the advisory and administrative fees. The complete schedule of *Vision Program* fees is set forth in the Program Brochure created by *Royal* and provided by the Registrant to its clients prior to or concurrent with their engagement in the Program. In evaluating a wrap fee arrangement, a client should recognize that Registrant does not negotiate brokerage commissions for the execution of transactions in a client's account. Transactions are effected "net" (that is, without commission), and a portion of the wrap fee is generally considered as being in lieu of commission. When consistent with best execution, trades are to be executed with the broker-dealer participating in the wrap fee program. Depending upon the level of the wrap fee, the amount of portfolio activity in the client's account, the value of custodial and other services provided under the *Vision Program* and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

The *Vision Program* will offer clients asset management services directed and managed by Registrant. The asset management services are available to individual, corporate and pension accounts. Clients may make cash additions to the account at any time and may withdraw account assets with proper notice as provided in the applicable investment management agreement. Registrant currently offers the following strategies in its *Vision Program* asset management services:

Focused Opportunity -- Objective: Pursues growth opportunities in a focused portfolio of 20--30 individual equities. Investments will be selected based primarily on their potential for future growth, and may be of any market capitalization size. Such potential may come in the form of new product innovations, changes in management strategy, or participation in growing secular economic trends, as well as other catalysts for future growth. This catalyst process is informed by fundamental analysis, and technical analysis where appropriate. These holdings will be monitored and periodically adjusted, through regular meetings of our investment committee and the processing of internal research. This portfolio may be most suitable to investors who are looking for their investments to be managed for Growth / Capital Appreciation, and would like to own a focused selection of individual equities. Investments in the Focused Opportunities strategy are not guaranteed and are subject to risk. As a result, investors may lose principal invested.

Focused Foundation -- Objective: Pursues growth, through the selection of 20-30 individual Large-Cap equity holdings. These Large-Cap equities will be selected based primarily on their potential for future growth, as well as the stability and strength of their current business operations. This process will be informed by fundamental analysis, as well as technical analysis where appropriate. The companies selected will typically be household names, with established brands across a multi-national marketplace. These holdings will be monitored and periodically adjusted, through regular meetings of our investment committee and the processing of internal research. This portfolio may be most

suitable to investors who are looking for long-term growth, investing in a selection of larger, more established individual equities. Investments in the Focused Foundations strategy are not guaranteed and are subject to risk. As a result, investors may lose principal invested.

Dynamic Horizons – Objective: Seeks to provide long-term growth by investing in up to six different equity mutual funds. Investments are selected from our universe of over 13,000 available funds. Utilizing our firm's research capabilities, funds are selected based on management style, management track record, momentum, and portfolio positioning. These holdings will be monitored and periodically adjusted, through regular meetings of our investment committee and the processing of internal research. This portfolio may be most suitable to investors who want to participate in long-term equity market growth, through a portfolio that offers the diversification of mutual funds, as well as professional oversight and management. Investments in the Dynamic Horizons strategy are not guaranteed and are subject to risk. As a result, investors may lose principal invested.

Dynamic Perspectives -- Objective: Seeks to provide participation in the capital markets by taking a balanced approach, aiming to provide long term growth and less short-term volatility. Investments are made across equity, bond, foreign and other markets. All investments are made through diversified instruments, such as exchange-traded funds or mutual funds. Investments selected will be chosen based on the macro-economic climate, the global investment climate and the ability of the investments to represent their asset-class. The portfolio management team will periodically review and revise the allocation used to suit market conditions, however the portfolio will hold at least 25% in equities and 25% in fixed income investments at all times. This portfolio may be most suitable to investors who are looking for investment balance, diversification and management oversight. Investments in the Dynamic Perspectives strategy are not guaranteed and are subject to risk. As a result, investors may lose principal invested.

Global Capital Growth – Objective: Pursues growth opportunities wherever they may be, by utilizing a “go anywhere” approach, selecting investments of any size, and from any country. Management will hold no more than 20 positions in either mutual funds or exchange traded funds, selected on the basis of positive growth momentum, among other factors. Such momentum may come in the form of participation in favored economic trends, country-specific growth, or other factors. This portfolio may be most suitable to investors who are looking for their investments to be managed in an opportunistic manner, who have a higher tolerance for risk and volatility. The portfolio may experience higher turnover, as changes in momentum will typically drive changes in portfolio holdings.

Dynamic Income – Objective: Seeks to provide income and exhibit lower levels of volatility, through a portfolio consisting mainly of fixed income investments. Investments are made primarily in fixed income, although management reserves the right to hold cash and invest across other asset-classes when appropriate. All investments are made through diversified investments such as exchange-traded funds or mutual funds. Investments selected will be based primarily on the macroeconomic climate, as well as the interest rate climate and overall fixed income market place. This portfolio may be most suitable to investors who are concerned with generating income, as well as reducing portfolio volatility compared to other investment types. Investments in the Dynamic Income

strategy are not guaranteed and are subject to risk. As a result, investors may lose principal invested.

Other account strategies may be developed from time to time. Registrant will also manage client assets outside these strategies to the extent clients direct Registrant to do so.

Registrant's asset allocation strategies have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as Registrant's asset allocation programs, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to Registrant's management of client assets:

1. Initial Interview – at the opening of the account, the Registrant, through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client's financial situation and investment objectives;
3. Quarterly Notice – at least quarterly the Registrant shall notify the client to advise the Registrant whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, the Registrant shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
5. Consultation Available – the Registrant shall be reasonably available to consult with the client relative to the status of the account;
6. Quarterly Report – the client shall be provided with a quarterly report for the account for the preceding period;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct the Registrant not to purchase certain mutual funds;
8. No Pooling – the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;
9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

The Registrant believes that its annual investment management fee is reasonable in relation to: (1) the advisory services provided under the *Investment Advisory Agreement*; and (2) the fees charged by other investment advisers offering similar services/programs. However, Registrant's annual investment management fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to Registrant's annual investment management fee, the client will also incur charges imposed directly at the mutual and exchange traded fund level (e.g., management fees and other fund expenses). **Please Note:** Registrant's investment programs may involve

above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

Item 9 Disciplinary Information

The Registrant has not been the subject of any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

- A. **Registered Representative of Royal.** As disclosed above in Item 5.E, Jean Pierre G. Bouvel and Stephane E. Bouvel are also registered representatives of *Royal*, an SEC registered and FINRA member broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C.
1. **Broker Dealer.** As disclosed above in Item 5.E, Jean Pierre G. Bouvel and Stephane E. Bouvel are registered representatives of *Royal*, an SEC registered and FINRA member broker-dealer. Clients can choose to engage Jean Pierre G. Bouvel and Stephane E. Bouvel, in their individual capacities, to effect securities brokerage transactions on a commission basis.
 8. **Licensed Insurance Agents.** Jean Pierre G. Bouvel and Stephane E. Bouvel, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4 B above, clients can engage certain of Registrant's representatives to effect insurance transactions on a commission basis.
 - **Conflict of Interest:** The recommendation by either Jean Pierre G. Bouvel and Stephane E. Bouvel that a client purchase a securities or insurance commission product presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Jean Pierre G. Bouvel and/or Stephane E. Bouvel. Clients are reminded that they may purchase securities and/or insurance products recommended by Registrant through other, non-affiliated registered representatives of a broker-dealer and/or insurance agents. **The Registrant's Chief Compliance Officer, Jean Pierre G. Bouvel, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**
- D. The Registrant does not recommend or select other investment advisors for its clients for which it receives a fee.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons." The Registrant's securities transaction policy requires that Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of the their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the Registrant are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11.C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

Item 12 Brokerage Practices

- A. As discussed above in Item 5.C, because Jean Pierre G. Bouvel and Stephane E. Bouvel are also registered representatives of *Royal*, *Royal* requires that all trading be conducted through *Royal's* clearing relationship with *Pershing*. *Royal* has determined that it will not give Registrant authorization to process securities transactions involving asset-based compensation away from *Royal/Pershing*. **As a result, Registrant does not have the discretion to choose the broker-dealer or commission rates to be paid.**

However, Registrant reasonably believes that *Pershing's* blend of execution services, commission and transaction costs as well as professionalism allows Registrant to satisfy its best execution requirements.

1. Research and Additional Benefits

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant may receive from *Royal* and/or *Pershing*, without cost (and/or at a discount), support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at *Royal* and/or *Pershing*. Included within the support services that may be obtained by the Registrant may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that *may* be received may assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *Royal* and/or *Pershing* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *Royal* and/or *Pershing* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

The Registrant's Chief Compliance Officer, Jean Pierre G. Bouvel, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

2. The Registrant does not receive referrals from broker-dealers.
3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements

for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

Please Note: In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.

The Registrant's Chief Compliance Officer, Jean Pierre G. Bouvel, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant'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 be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 Review of Accounts

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principal. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.
- B. The Registrant *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian

and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Item 14 Client Referrals and Other Compensation

- A. As referenced in Item 12.A.1 above, the Registrant may receive an indirect economic benefit from *Royal/Pershing*. The Registrant, without cost (and/or at a discount), may receive support services and/or products from *Royal/Pershing*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *Royal/Pershing* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *Royal/Pershing* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

The Registrant's Chief Compliance Officer, Jean Pierre G. Bouvel, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

- B. If a client is introduced to the Registrant by either an unaffiliated or an affiliated solicitor, Registrant *may* pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from the Registrant's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to the Registrant by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of the Registrant's written Brochure with a copy of the written disclosure statement from the solicitor to the client disclosing the terms of the solicitation arrangement between the Registrant and the solicitor, including the compensation to be received by the solicitor from the Registrant.

Item 15 Custody

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

Please Note: To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

Item 16 Investment Discretion

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client's account, client shall be required to execute an *Investment Advisory Agreement*, naming the Registrant as client's attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at anytime, impose restrictions, **in writing**, on the Registrant's discretionary authority. (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant's use of margin, etc.).

Item 17 Voting Client Securities

- A. The Registrant does not vote client proxies. Clients maintain 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 proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

Item 18 Financial Information

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

ANY QUESTIONS: The Registrant's Chief Compliance Officer, Jean Pierre G. Bouvel, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.