

---

# ERISA Plan Services, Inc.

1818 Park Drive, Anderson, SC 29625

864-375-0473

January 1, 2011

**T**his brochure provides information about the qualifications and business practices of ERISA Plan Services, Inc. (EPS). The United States Securities and Exchange Commission has not approved or verified the information in this brochure; nor has any state securities authority.

Additional information about ERISA Plan Services, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**ERISA Plan Services, Inc. is a registered investment adviser. This registration does not imply any level of skill or training. You should decide whether to hire an adviser based on the oral and written communications the adviser provides to you.**

**If you have questions about the contents of this brochure, please contact Mike Cruce, President of ERISA Plan Services, Inc. at 864-375-0473.**

**To obtain our firm brochures and brochure supplements (information regarding each of our financial advisors), our Code of Ethics, or our Privacy Policy, e-mail us at [mcruce@erisaplanservices.com](mailto:mcruce@erisaplanservices.com), telephone us at 864-375-0473, or mail your request to the address shown above. This brochure was last updated on February 23, 2012.**

---

## Summary of Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV.” This amendment requires that we change the disclosure document that we provide to clients. This brochure, dated January 1, 2011, is a new document prepared according to the SEC’s new requirements and rules. This brochure is different from any previous brochure we distributed and provides some new information.

In the future, this section—“Summary of Material Changes”—will discuss only specific changes that are made to the brochure and provide clients with a summary of those changes since the last annual update of this brochure on March 15, 2010:

This notice, dated 23 February, 2012 serves as our annual announcement to you of material changes within our firm that deviate substantially from information provided by the brochure. There have been no material changes in our company nor operations since last year. Of interest, though, is that Jonathan Cruce has enrolled in the University of Georgia’s Certified Financial Planning curriculum and has completed approximately 60% of the coursework needed to sit for his exam to become certified. We’re very proud of his progress and continue to appreciate having Jonathan as a contributing member of our team. He already provides much technical expertise needed to keep ERISA running efficiently and smoothly, as well as providing a healthy input on our research.

We’d be more than happy to provide you with a copy of our brochure upon request.

---

## Table of Contents

Summary of Material Changes.....	ii
Summary of This Brochure.....	1
Item 4 – Advisory Business .....	2
Item 5 – Fees and Compensation .....	4
Item 6 – Performance-Based Fees and Side-By-Side Management .....	4
Item 7 – Types of Clients.....	4
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss.....	5
Item 9 – Disciplinary Information .....	10
Item 10 – Other Financial Industry Activities and Affiliations .....	10
Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	10
Item 12 – Brokerage Practices .....	12
Item 13 – Review of Accounts.....	13
Item 14 – Client Referrals and Other Compensation.....	14
Item 15 – Custody .....	14
Item 16 – Investment Discretion .....	14
Item 17 – Voting Client Securities.....	15
Item 18 – Financial Information.....	15
Brochure Supplement(s): ADV Part IIb for Advisor Representatives	
Michael M. Cruce .....	16
Jonathan O. Cruce.....	21

---

## Summary of This Brochure

ERISA Plan Services, Inc. provides financial planning and investment advisory services to select individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. We are in our 32nd year of operation. We currently administer \$32.7 million of assets under advisement.

We utilize a multi-disciplinary team approach to addressing clients' financial, tax, estate, and risk management planning needs. Our team includes clients' attorneys, certified public accountants, and us as Certified Financial Planners™. With the consent of our clients, we often consult with our clients' other professional advisors as planning recommendations are formulated and/or implemented.

Our investment strategy is based upon leading academic research and the results of our own analyses. We believe that our clients are best served using broad diversification within asset classes that include large, medium and small capitalized equities of both value and growth styles. We also utilize fixed income positions and real estate trusts to even out the volatility and reduce correlation among asset classes. Our research has shown that this usually results in a "smoother ride" for our clients, with likely similar long-term (15 years or longer) portfolio returns. ERISA Plan Services, Inc. generally recommends institutional-class stock mutual funds with low annual expense ratios, and extremely low internal transaction costs. At times we may recommend other low-cost investment solutions, such as low cost bond funds, individual fixed income securities, exchange traded funds and other products.

We actively seek to avoid, or at least minimize, conflicts of interest which may exist between our firm and our clients. We sell no products. We accept no commissions. We do not participate in the collection of any 12b-1 fees. However, all investment advisory firms will likely possess some unavoidable conflicts of interest. In those instances when conflicts of interest arise, ERISA Plan Services, Inc. has adopted policies which seek to keep our clients' best interests paramount at all times. This brochure explores in further detail how we act to keep our clients' best interests first at all times during the course of our relationship. More information regarding our firm is found in the pages that follow.

---

## Item 4 – Advisory Business

ERISA Plan Services, Inc. provides financial planning and portfolio management services for select individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. Our services include investment supervision for our clients' portfolios and limited management of investment advisory accounts.

As of February 23, 2011 our assets under management were valued at \$32.7 million.

### **Other Fees or Expenses Paid in Connection with Advisory Services: Products, Custodians.**

All fees paid to ERISA Plan Services, Inc. for investment advisory and financial planning services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. Mutual fund expenses are generally described in each fund's prospectus. These expenses will generally include a management fee, other fund expenses, and possibly a distribution fee. In addition, mutual funds incur transaction costs and opportunity costs, which are not disclosed in the fund's prospectus or Statement of Additional Information, but which may be estimated. Clients will incur transaction fees or commissions in connection with trading of mutual fund, ETF, individual stock and bonds (and/or principal mark-ups and mark-downs for principal trades), which are charged by the custodian (brokerage firm holding safekeeping of the client's assets for safekeeping. Mutual fund transaction fees charged by our recommended custodians, CHARLES SCHWAB & CO, INC., generally vary from \$0 to \$50 for each purchase and sale transaction. The transaction costs for stock and bond trades vary. Accordingly, the client should review both the fees charged by the funds (including transaction and opportunity costs within funds which are not included in a fund's annual expense ratio), the transaction fees charged by the custodian, as well as the fees charged by ERISA Plan Services, Inc., to fully understand the total amount of fees and costs paid by the client, in connection with any recommended transaction. For a discussion of our practice in recommending brokers (custodians) to our clients and negotiating brokerage fees on their behalf, please see [Item 12 – Brokerage Practices](#).

Clients may also incur "account termination fees" upon the transfer of an account from one brokerage firm (custodian) to another. The range for these account termination fees is believed to range generally \$0 to \$200 at present, but at times may be much higher. Clients

---

should contact their custodians (brokerage firms, bank or trust company, etc.) to determine the amount of account termination fees which may be charged and deducted from their accounts for any existing accounts which may be transferred.

### **Comparable Services**

ERISA Plan Services, Inc. believes that the charges and fees offered within its program are competitive with alternative programs available through other firms offering a similar range of services; however, lower fees for comparable services may be available from other sources. A client could invest in mutual funds directly, without the services of ERISA Plan Services, Inc. In that case, the client would not receive the services provided by ERISA Plan Services, Inc. which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives, undertake a disciplined approach to portfolio rebalancing while taking into account the tax ramifications of same, and to avoid ad hoc emotional reactions to shorter-term market events. Also, the funds provided thru the Charles Schwab Institutional division may not be available to the client directly without the use of an investment adviser granted access to such funds.

### **Proper Management of Conflicts of Interest Relating to the Fees We Receive from You, Relating to the Receipt of Percentage-Based Compensation**

The vast majority of our clients pay ERISA Plan Services, Inc. fees based upon a percentage of the assets we advise upon. This is a very common form of compensation for registered investment advisory firms and avoids the multiple inherent conflicts of interest associated with commission-based compensation (ERISA Plan Services, Inc. does not accept commission-based compensation of any nature, nor does ERISA Plan Services, Inc. accept 12b-1 fees).

Asset-advised-upon percentage method of compensation can still at times lead to conflicts of interest between our firm and our client as to the advice we provide. For example, conflicts of interest may arise relating to the following financial decisions in life: incur or pay down debt; gift funds to charities or to individuals; purchases of a (larger) home or cars or other non-investment assets; the purchase of a lifetime immediate annuity; expenditures of funds for travel or other activities; investment in private equity investments (private real estate ventures, closely held businesses, etc.), and the amount of funds to place in non-managed cash reserve accounts. We have adopted internal policies to properly manage these and other potential conflicts of interest. Our goal is that our advice to you remains at all times in your best interests, disregarding any impact of the decision upon our firm.

---

## Item 5 – Fees and Compensation

The specific manner in which fees are charged by ERISA Plan Services, Inc. is established in a client's written agreement with us. We generally bill our fees on a quarterly basis as a percentage of assets under management, calculated on the market value of assets at the end of the quarter as reflected on the client's portfolio statement. Fees will generally be 1% or less per year on portfolios up to \$1,000,000. Fees are negotiable for client relationships exceeding \$1,000,000. Clients may elect to be billed directly for fees or they may authorize ERISA Plan Services, Inc. to directly debit fees from client accounts. Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account any earned, unpaid fees will be due and payable.

ERISA Plan Services, Inc.'s fees do not include brokerage commissions, transaction fees, and other related costs and expenses that may be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to [ERISA Plan Services, Inc.](#)'s fee, and ERISA Plan Services, Inc. shall not receive any portion of these commissions, fees, and costs.

Item 12 further describes the factors that ERISA Plan Services, Inc. considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

ERISA Plan Services, Inc. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## Item 7 – Types of Clients

ERISA Plan Services, Inc. provides portfolio management services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

---

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

Investing in securities involves risk of loss that clients should be prepared to bear.

We use fundamental and technical analyses to offer advice on exchange-listed and over-the-counter equity securities, warrants, corporate debt securities, certificates of deposit, municipal securities, mutual fund shares, U.S. government securities, exchange-traded funds, and securities options.

We gather information for our analyses from financial newspapers and magazines, inspections of corporate activities, research materials, corporate rating services, annual reports, prospecti, filings with the Securities and Exchange Commission, and company press releases.

Our investment strategies include long term purchases, short term purchases, trading, short sales, and margin transactions, as well as option writing (including covered options, uncovered options or spreading strategies inside some of the funds chosen).

Generally, ERISA Plan Services, Inc. provides the investment strategy and its implementation for all clients, utilizing a variety of securities or pooled investment vehicles (such as mutual funds). Clients of ERISA Plan Services, Inc. receive the benefit of ERISA Plan Services, Inc.'s developed investment philosophies and strategies, research and due diligence, account monitoring, and personal financial planning recommendations.

ERISA Plan Services, Inc.'s Investment Committee establishes the overall investment strategies employed by the firm and approves of particular investments which may be used by advisors of our firm. The Investment Committee includes Mike Cruce and Jonathan Cruce.

Expansive academic research, investment information, and certain proprietary analyses are drawn upon by ERISA Plan Services, Inc., in order to provide innovative investment advisory services. Each of ERISA Plan Services, Inc.'s clients receives an investment policy statement, which sets forth a recommended strategic asset allocation. Specific no-load (no commissions) mutual funds and other investment products and securities are then recommended to clients. Clients' portfolios are then periodically monitored, and changes to investment portfolios are suggested when appropriate.

A disciplined approach to rebalancing is employed in order to maintain asset class exposures within desired risk tolerances, subject to variances permitted for tax reduction, tax planning or other reasons.

---

## Methods of Analyses and Investment Strategies, Generally

In designing investment plans for clients, ERISA Plan Services, Inc. relies upon the information supplied by the client and the client's other professional advisors. Such information may pertain to the client's financial situation, estate planning, tax planning, risk management planning, short-term and long-term lifetime financial goals and objectives, investment time horizon, and perceived current tolerance for risk.

This information becomes the basis for the strategic asset allocation plan which we believe will best meet the client's stated long term personal financial goals. The strategic asset allocation provides for investments in those asset classes which ERISA Plan Services, Inc. believes (based on historical data and ERISA Plan Services, Inc.'s proprietary analysis) will possess attractive combinations of return, risk, and correlation over the long term. A tremendous amount of academic research reveals that strategic asset allocation is determinative of the majority of the expected long-term gross returns of investor's portfolios. Our selection of asset classes is driven by research into global asset classes by such academics as Professor Eugene Fama, Sr. of the *University of Chicago Booth Graduate School of Business* and the *Center for Research in Security Prices*, Professor Kenneth French of *Dartmouth College*, and many other academics and researchers. Much attention has been focused on the work of Don Trone and his associates at the *Foundation for Fiduciary Studies*. Don is the CEO (Chief Ethos Officer) of *Strategic Ethos* which provides training and publications on investment management to the financial services industry.

The investment advice which ERISA Plan Services, Inc. provides is based upon long-term investment strategies which incorporate the principles of Modern Portfolio Theory. The utilization of several different asset classes as part of an investor's portfolio is emphasized, as this has been shown to usually effect a reduction in portfolio volatility (i.e., the standard deviation of the portfolio returns) over long periods of time. ERISA Plan Services, Inc. allocates and diversifies the client's assets among various asset classes and then among individual investments, following the investment policy agreed to by the client.

ERISA Plan Services, Inc.'s investment approach is firmly rooted in the belief that markets are fairly efficient (although not always rational) and that investors' gross returns are determined principally by asset allocation decisions. A focus is provided on developing and implementing globally diversified portfolios, principally through the use of low-cost and tax-efficient (where appropriate) actively and passively managed stock mutual funds that are frequently available only to institutional investors and clients of advisers granted access to such funds. Investment policy and overall portfolio weightings as between equities and fixed income investments are based upon each client's needs and desires, perceived risk tolerance and the need to assume various risks, and investment time horizon. The portfolios of clients may then follow models designed by ERISA Plan Services,

---

Inc. to fit the overall weightings of equities (stocks, stock mutual funds, etc.) and fixed income investments (notes, bonds, bond funds, CDs, etc.) in an investor's portfolio. For other clients, the investment portfolio's strategic asset class allocation is customized to meet the specific circumstances of a client, the presence of investments in 401(k) or other accounts, as well as a perception of the client's understanding of the fundamental forces affecting risk and return in the capital markets. In addition, a client's initial or revised strategic asset allocation may be influenced by a review of the relative valuation levels of various asset classes and the investment time horizon of that client. While asset class "bubbles" are attempted to be discerned when they occur, tactical asset allocation strategies are not generally employed in connection with the management of client portfolios.

### **Methods of Analysis: Sources of Information**

Our security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general economic and market and financial information, due diligence reviews, and specific investment analyses that clients may request. The main sources of information include commercially available investment information and evaluation services, financial newspapers and journals, academic white papers and periodicals. Prospectuses, statements of additional information, other issuer prepared information, and data aggregation services (Morningstar Advisor, Financeware, Inc., etc.) are also utilized. Investment Committee members and advisors also attend various investment and financial planning conferences.

### **Types of Investments**

Each client typically receives an investment portfolio recommendation which consists primarily of no-load stock and bond mutual funds. Low cost funds are chosen for diversification and most are structured for low turnover, so as to substantially lessen the often substantial transaction costs incurred by mutual funds and ETFs as they trade securities within the fund. Consequently, the ERISA Plan Services' models' mutual funds' total fees and costs are believed to be generally lower than the total fees and expenses incurred by most other stock mutual funds (including many ETFs and index funds) when comparing funds in the same asset class(es). Some investment portfolios may also include individual fixed income investments (bonds, C.D.'s, etc.) and/or bond funds.

For clients with a substantial fixed income allocation, ERISA Plan Services, Inc. generally recommends a combination of bond funds and individual fixed income investments, with recommended actual investments dependent upon ERISA Plan Services, Inc.'s views of the risk/return relationship for various forms of fixed income investments or bond funds.

---

ERISA Plan Services, Inc. will typically request discretionary authority from clients to manage individual fixed income assets, as such may be necessary to enable the investment adviser to purchase or sell such assets in a timely manner at quoted prices. Client portfolios may also include some individual equity securities, but these are generally part of clients' investment holdings prior to becoming a client of ERISA Plan Services, Inc.

Publicly traded real estate investment trusts (REITS) and commodities index or passive mutual funds or ETFs may be recommended for certain clients who desire to include real estate or commodities in their asset allocation strategy. Insurance products such as annuities and various types of life insurance products may also be evaluated.

Recommendations may be undertaken to clients to invest in low-cost, no-load (no commission) variable or fixed deferred or immediate annuities when appropriate to the circumstances and tax situation of the client. More often, this occurs when a client possesses an existing high-cost variable annuity, and a rollover of the annuity is indicated rather than redemption for tax planning purposes, in order to seek to lower the total fees and costs paid by the client and/or provide different investment choices. At times clients may be advised to retain an existing annuity, previously purchased by the client, or undertake partial or full surrenders of same (and/or tax-free exchanges), following an evaluation of the annuity contract, riders thereto, investment alternatives within the annuity and their fees and costs, including any surrender fees which may be imposed by the insurance company. New clients' existing investments are evaluated in light of the desired investment policy objectives. We work with new clients to develop a plan to transition from a client's existing portfolio to the desired portfolio. Investment advice may be offered on any investments held by a client at the start of the advisory relationship. Each client's portfolio holdings and strategic asset allocation are then monitored periodically, taking into account the cash flow needs of the client. Review meetings with clients are held regarding their investment assets under advisement and other personal financial planning issues.

### **Risk of Loss**

Investing in securities involves a risk of loss that clients should be prepared to bear. The investment recommendations seek to limit risk through broad global diversification in equities (through broadly diversified stock mutual funds) and investment in high quality fixed income securities or diversified bond funds. However, the investment methodology will still subject the client to declines in the value of their portfolios, which can at times be dramatic. ERISA Plan Services, Inc. believes this is the best manner to temper the shorter-term volatility of the stock market, especially for clients who derive cash flow from their portfolios (such as clients who are in retirement years). Given the long-term nature of the expected equity premium (i.e., the additional expected return for investing in the overall stock market, relative to less "risky" U.S. Treasury bills), ERISA Plan Services, Inc.'s

---

investment philosophy is best suited for investors who desire a buy and hold strategy for a substantial portion of their funds. ERISA Plan Services, Inc.'s stock mutual fund strategies are usually appropriate for clients possessing an investment time horizon of a minimum of ten years, and preferably even longer. Even then, investing is inherently uncertain as to future returns. While both macroeconomic and microeconomic risks are evaluated, for purposes of weighing risks and returns and for the computation of the expected returns of various asset classes (for use in financial planning decision-making), ERISA Plan Services, Inc. does not generally engage in market-timing activities. ERISA Plan Services, Inc. believes the equity effects are highly likely to occur in the future, over long periods of time. However, there can be no assurance that these effects will occur over any given time period. While ERISA Plan Services, Inc. seeks to reduce non-compensated risks to which a client may be exposed, other risks (including but not limited to the risk of a general stock market decline) may be assumed in order to seek to attain the client's longer-term financial goals and objectives; however, ERISA Plan Services, Inc. cannot provide any guarantee that the client's goals and objectives will be achieved. Risk of Loss, Certain Higher-Risk Securities, Certain securities recommended, such as U.S. small cap value and mid cap value stock mutual funds, U.S. small cap and micro cap mutual funds, and similar pooled investment vehicles inside variable annuities, possess higher levels of volatility (as individual asset classes within a portfolio). ERISA Plan Services, Inc. may employ these securities as part of an overall strategic asset allocation for a client, and when such is undertaken ERISA Plan Services, Inc. possesses a reasonable belief that the risk-return relationship for these securities will likely be beneficial for the investor over the long term. While ERISA Plan Services, Inc. does not recommend the purchase or holding of individual common stocks, clients at times desire to retain certain existing holdings, or to purchase same. Reasons for clients' desires might include emotional ties to the stock and/or the presence of substantial unrealized capital gains, or other reasons. When individual common stocks (and related types of individual securities, such as American Depositary Receipts) are held in a client's investment portfolio, the client remains exposed to "specific company risk" – i.e., Individual U.S. government, government agency, AAA-rated and AA-rated corporate, and municipal bonds may be recommended to clients. All bonds bear a risk of default, and such individual corporate and municipal bonds generally possess somewhat higher risks. ERISA Plan Services, Inc. undertakes annual due diligence on all corporate and municipal bond issuers, as to bonds held by our clients, and recommends the sale of such bonds when, in the view of the firm's Investment Committee, the risks of owning such bond outweigh the risks associated with the bond, after taking into account the likely costs of disposition. While all Certificates of Deposit (CDs) purchased for ERISA Plan Services, Inc.'s clients are FDIC-insured, the pricing of certain of these CDs, which trade in the secondary market, can vary; accordingly, due to price declines and/or transaction costs associated with trading, these CDs could lose value if redeemed prior to maturity. When CDs are recommended to clients, it is our intent that clients hold the CDs to

---

maturity. Cash Balances in Client Accounts Cash in clients' investment accounts are typically swept into the bank or money market mutual fund accounts of the institutions (Charles Schwab & Co., Inc.). ERISA Plan Services, Inc. discusses with each client, during the time of review conferences and at other times, upcoming cash flow needs and seeks to plan accordingly to meet those needs. While it is not the practice to encourage clients to maintain a large amount of cash in their accounts, such may be undertaken at the request of the client.

Should the client desire a "cash reserve account," ERISA Plan Services, Inc. will assist the client to establish a separate, non-managed cash reserve account, which is not monitored thereafter by ERISA Plan Services, Inc. ERISA Plan Services, Inc. then seeks to review with the client, during periodic conferences, whether any funds are needed to restore cash reserves. ERISA Plan Services, Inc. excludes separate accounts established for cash reserve purposes in the calculation of ERISA Plan Services, Inc.'s assets under advisement, and excludes the value of cash reserve accounts from a client's fee calculations. Additionally, smaller cash amounts may be maintained in order to facilitate billing of ERISA Plan Services, Inc.'s periodic fees, which may possess the effect of slightly reducing the portfolio's returns in periods when overall positive returns occur in the portfolio in excess of the interest rate paid on cash or cash equivalent deposits.

### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of ERISA Plan Services, Inc. or the integrity of ERISA Plan Services, Inc.'s management. ERISA Plan Services, Inc. has no information applicable to this Item.

### **Item 10 – Other Financial Industry Activities and Affiliations**

Registered investment advisers are required to disclose all material facts regarding any additional financial industry activities or affiliations that would be material to your evaluation of ERISA Plan Services, Inc. or the integrity of ERISA Plan Services, Inc.'s management. ERISA Plan Services, Inc. has no activities or affiliations applicable to this Item.

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

**Generally, We Seek to Avoid Material Conflicts of Interest.**

---

Accordingly, neither ERISA Plan Services, Inc. nor its investment adviser representatives nor its team members receive any third party direct monetary compensation (i.e., commissions, 12b-1 fees, or other fees) from brokerage firms (custodians) or mutual fund companies.

However, some additional services and non-direct monetary or other forms of compensation are offered and provided to ERISA Plan Services, Inc. as a result of its relationships with custodian(s) and/or providers of mutual fund products. For example, ERISA Plan Services, Inc.'s investment advisors and employees may be invited to attend educational conferences and/or entertainment events sponsored by such brokerage firms or custodians or mutual fund companies. Other services may be provided as outlined below. ERISA Plan Services, Inc. believes that the services and benefits actually provided to it by brokerage firms (custodians) and mutual fund providers do not materially affect the investment management recommendations made to clients of ERISA Plan Services, Inc. However, in the interest of full disclosure of any potential conflicts of interest, we discuss the possible conflicts herein.

Although ERISA Plan Services, Inc. believes that its business methodologies, ethics rules, and adopted policies are appropriate to eliminate, or at least minimize, potential material conflicts of interest, and to manage appropriate any material conflicts of interest that may remain, clients should be aware that no set of rules can possibly anticipate or relieve all potential material conflicts of interest.

ERISA Plan Services, Inc. has adopted a Code of Ethics restricting personal securities trading by the client's advisers. These codes are available from the adviser. While the codes permit personal transactions by the advisers in securities held or to be acquired by each client, the codes prohibit and are designed to prevent fraudulent activity or activities that would pose a conflict of interest in connection with such personal transactions.

### **Participation or Interest in Client Transactions and Personal Trading**

ERISA Plan Services, Inc. does not currently participate in securities in which it has a material financial interest. ERISA Plan Services, Inc. and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest. ERISA Plan Services, Inc.'s Code of Ethics provides that individuals associated with our firms may buy or sell securities for their personal accounts identical or different than those recommended to clients. However, it is the expressed policy of our firms that no person employed by the firms shall prefer his or her own interest to that of an advisory client nor make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with the Code of Ethics, our firms require that anyone associated with this advisory practice and who possesses access to advisory recommendations (before or at the time they are entered into) ("access persons") to provide annual securities holding reports and quarterly transaction reports to ERISA Plan Services, Inc.'s Chief Compliance

---

Officer or his or her designee. We also require access persons to receive advance approval from ERISA Plan Services, Inc.'s Chief Compliance Officer or his designee prior to investing in any initial public offerings or private placements, and with regard to trading of certain individual securities. The Code of Ethics further includes our firms' policy prohibiting the use of material non-public information and protecting the confidentiality of client information. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

ERISA Plan Services, Inc.'s clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Mike Cruce.

## **Item 12 – Brokerage Practices**

ERISA Plan Services, Inc. may recommend that client establish brokerage accounts with the Schwab Institutional® division of Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although ERISA Plan Services, Inc. may recommend or require that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. ERISA Plan Services, Inc. is independently owned and operated and not affiliated with Schwab.

### **Non-Participation in Client Referral Programs of Custodians**

ERISA Plan Services, Inc. will continue to avoid certain relationships with custodians (brokerage firms, etc.) and investment product providers which it believes might materially hamper its independence in its providing advice to its clients or result in clients paying higher mutual fund management, administrative, or other product-related fees and costs. For this and other reasons, ERISA Plan Services, Inc. does not participate in the client referral programs which may be sponsored by such custodians. Nor does ERISA Plan Services, Inc. currently recommend to their clients any mutual funds or ETFs manufactured by affiliates of such custodians (although we may recommend such funds if, after a process of due diligence, ERISA Plan Services, Inc.'s Investment Committee concludes that such mutual funds are the best funds in that particular asset class or would otherwise best meet a client's objectives).

We do receive a benefit, as an investment adviser, from Charles Schwab and Co., Inc (Schwab). ERISA Plan Services recommends that clients set up a brokerage account with Schwab. Schwab provides ERISA Plan Services with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited

---

basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon ERISA Plan Services committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, custody research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For ERISA Plan Services client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts. Schwab Institutional also makes available to ERISA Plan Services other products and services that benefit ERISA Plan Services but may not directly benefit its clients' accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist ERISA Plan Services in managing and administering clients' accounts include software and other technology that provide the following benefits:

- 1) provide access to client account data (such as trade confirmations and account statements)
- 2) facilitate trade execution and allocate aggregated trade orders for multiple client accounts
- 3) provide research, pricing, and other market data
- 4) facilitate payment of ERISA Plan Services' fees from its clients' accounts
- 5) assist with back-office functions, recordkeeping and client reporting.

### **Item 13 – Review of Accounts**

Client accounts are reviewed no less than quarterly by the Investment Committee. The results of this review are provided in a report to each client. Reports include asset performance compared with benchmarks for most asset classes targeted in a client portfolio. Reviews also include evaluation of account asset class weighting, market capitalization, investment style and similar reviews of investment diversification. Significant volatility, cash flows into or out of the account, or unusual activity of investment assets would trigger more frequent account reviews.

Quarterly summary reports and annual summary reports to clients include:

- 
- Beginning balances at market value
    - i. Earnings (Losses) from:
    - ii. Interest and Dividends
    - iii. Realized gains (losses)
    - iv. Additions or withdrawals from account
  - Ending balances at market value
  - Performance of account

#### **Item 14 – Client Referrals and Other Compensation**

ERISA Plan Services, Inc. does not receive any compensation for referring clients to any particular security. We do not compensate any other company or individual for referring clients to ERISA Plan Services.

#### **Item 15 – Custody**

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. ERISA Plan Services, Inc. urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16 – Investment Discretion**

ERISA Plan Services, Inc. usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, ERISA Plan Services, Inc. observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, ERISA Plan Services, Inc.'s authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to ERISA Plan Services, Inc. in writing.

---

### **Item 17 – Voting Client Securities**

Clients may obtain a copy of [ERISA Plan Services, Inc.](#)'s complete proxy voting policies and procedures upon request. Clients may also obtain information from [ERISA Plan Services, Inc.](#) about how [ERISA Plan Services, Inc.](#) voted any proxies on behalf of their account(s).

### **Conflicts of Interest Between the Client and ERISA Plan Services**

Due to the nature of EPS business model, investments primarily into mutual funds, client base without employer groups (unions), and lack of clients that are publicly traded companies, EPS does not anticipate proxy voting issues to present any conflicts of interest between EPS and its clients. In the unlikely event that a proxy vote should present a conflict of interest, EPS will vote the proxy in the best interest of the SHAREHOLDER.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about ERISA Plan Services, Inc.'s financial condition. ERISA Plan Services, Inc. has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

---

# ERISA Plan Services, Inc.

1818 Park Drive, Anderson, SC 29625

864-375-0473

January 1, 2011

Michael M. Cruce

**T**his brochure supplement provides information about Michael Cruce that supplements the ERISA Plan Services, Inc. brochure. You should have received a copy of that brochure. Please contact Mike Cruce if you did not receive ERISA Plan Services, Inc.'s Brochure or if you have any questions about the contents of this supplement.

ERISA Plan Services, Inc. is a registered investment adviser. This registration does not imply any level of skill or training. You should decide whether to hire an adviser based on the oral and written communications the adviser provides to you.

Additional information about Michael Cruce is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

---

## Item 2- Educational Background and Business Experience

Michael M. Cruce, born June 13, 1948

### EDUCATION

1962-1966

High School Diploma Central Gwinnett High School, Lawrenceville, GA

1966-1970

Bachelor of Science North Georgia College, Dahlonega GA

Biology

1970-1971

Master of Science West Georgia College, Carrollton, GA

Biology

1978-1980

Master of Business Administration Program (Not completed) University of SC, Columbia, SC

2004-2005

CFP® Certification Education Program, Midlands Technical College, Columbia SC

CFP® Examination successfully completed Nov 18-19, 2005

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its

- (1) high standard of professional education;
- (2) stringent code of conduct and standards of practice; and
- (3) ethical requirements that govern professional engagements with clients.

Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include

---

insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;

- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board's Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

#### EMPLOYMENT HISTORY

1979-1996

Medical Group Administrator      Anderson Orthopaedic Clinic, PA, Anderson, SC

1980-Present

Investment Advisor/Third Party Administrator      ERISA Plan Services, Inc., Anderson, SC

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

---

## **Item 4- Other Business Activities**

Registered investment advisers are required to disclose all material facts regarding any investment activities outside of the currently described role that would be material to your evaluation of each supervised person providing investment advice.

Mike Cruce serves the Associate Reformed Presbyterian Church General Synod as a member of its Investment Committee, a fiduciary, overseeing in excess of \$50MM in various retirement programs, gift annuity trusts, and church funds. This activity requires approximately 12 hours every quarter in meetings with other investment advisors. We believe this activity not only enhances ARP management of assets, but yields insight from other professionals to ERISA Plan Services from other institutional advisors. No compensation is derived from this relationship.

## **Item 5- Additional Compensation**

Registered investment advisers are required to disclose all material facts regarding any additional compensation from non-clients (such as incentives and bonuses) that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Item 6 - Supervision**

Supervision of Mike Cruce is self-administered as President/CCO and Principal of the firm. He can be reached at (864) 375-0473.

ERISA Plan Services, Inc. has adopted a Code of Ethics restricting personal securities trading by the client's advisers. These codes are available from the adviser. While the codes permit personal transactions by the advisers in securities held or to be acquired by each client, the codes prohibit and are designed to prevent fraudulent activity or activities that would pose a conflict of interest in connection with such personal transactions.

## **Participation or Interest in Client Transactions and Personal Trading**

ERISA Plan Services, Inc. does not currently participate in securities in which it has a material financial interest. ERISA Plan Services, Inc. and its related persons, as a matter of policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest. ERISA Plan Services, Inc.'s Code of Ethics provides that individuals associated with our firms may buy or sell securities for their personal accounts identical or different than those recommended to clients. However, it is the expressed policy of our firms that no person employed by the

---

firms shall prefer his or her own interest to that of an advisory client nor make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with the Code of Ethics, our firms require that anyone associated with this advisory practice and who possesses access to advisory recommendations (before or at the time they are entered into) (“access persons”) to provide annual securities holding reports and quarterly transaction reports to ERISA Plan Services, Inc.’s Chief Compliance Officer or his or her designee. We also require access persons to receive advance approval from ERISA Plan Services, Inc.’s Chief Compliance Officer or his designee prior to investing in any initial public offerings or private placements, and with regard to trading of certain individual securities. The Code of Ethics further includes our firms' policy prohibiting the use of material non-public information and protecting the confidentiality of client information. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

### **Item 7- Requirements for State-Registered Advisers**

No additional information is deemed to applicable to Michael Cruce by the State of South Carolina regarding arbitration action, civil, self-regulatory organizations, or administrative proceedings, or bankruptcy proceedings.

---

# ERISA Plan Services, Inc.

1818 Park Drive, Anderson, SC 29625

864-375-0473

January 1, 2011

## Jonathan O. Cruce

**T**his brochure supplement provides information about Jonathan Cruce that supplements the ERISA Plan Services, Inc. brochure. You should have received a copy of that brochure. Please contact Mike Cruce if you did not receive ERISA Plan Services, Inc.'s Brochure or if you have any questions about the contents of this supplement.

ERISA Plan Services, Inc. is a registered investment adviser. This registration does not imply any level of skill or training. You should decide whether to hire an adviser based on the oral and written communications the adviser provides to you.

Additional information about Jonathan Cruce is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

---

## Item 2- Educational Background and Business Experience

Jonathan O. Cruce, born September 3, 1974

### EDUCATION

1989-1992

High School Diploma T.L. Hanna High School, Anderson, SC  
Magna Cum Laude

1992-1995

Bachelor of Science Erskine College, Due West, SC  
Liberal Arts (Dual Degree)

1996-1998

Bachelor of Science Clemson University, Clemson, SC  
Mechanical Engineering (Dual Degree)

1999-2001

Master of Science in Engineering Wright State University, Dayton, OH  
Biomedical Engineering – Rehabilitation Engineering

### EMPLOYMENT HISTORY

2006-2011

Rehabilitation Engineer SC Vocational Rehabilitation, Columbia, SC

Provides evaluations for various Assistive Technology applications, including Home Modification, Vehicle Modification, Mobility, Computer Access, and Job Accommodation for people with disabilities. Recommends specific technology for each application. Designs and fabricates technology when off-the-shelf items will not work. Also provides limited training in office ergonomics and speech recognition software. Focus is on getting people with disabilities into job settings.

2001-2006

Rehabilitation Engineer Technology Access Center of Middle Tennessee, Nashville, TN

Provided evaluations for various Assistive Technology applications, including Home Modification, Mobility, Computer Access, Job Accommodation, and Augmentative Communication devices. Designs and fabricates technology when off-the-shelf items will not work. Also provided training in office ergonomics, speech recognition software, screen reader software, and other technologies. Designed and administered client tracking database.

2000-2001

---

Rehabilitation Engineering Intern St. Francis Hospital Rehab Center, Dayton, OH

Identification and upkeep of Assistive Technology laboratory, with emphasis on projects to enhance laboratory effectiveness. Assisted on-site engineers and therapists with evaluations and fabrication of devices.

### **Item 3- Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 4- Other Business Activities**

Registered investment advisers are required to disclose all material facts regarding any investment activities outside of the currently described role that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 5- Additional Compensation**

Registered investment advisers are required to disclose all material facts regarding any additional compensation from non-clients (such as incentives and bonuses) that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

### **Item 6 – Supervision**

Jonathan is officially supervised by Michael M. Cruce, President/CCO of ERISA Plan Services, Inc. at (864) 375-0473.

ERISA Plan Services, Inc. has adopted a Code of Ethics restricting personal securities trading by the client's advisers. These codes are available from the adviser. While the codes permit personal transactions by the advisers in securities held or to be acquired by each client, the codes prohibit and are designed to prevent fraudulent activity or activities that would pose a conflict of interest in connection with such personal transactions.

#### **Participation or Interest in Client Transactions and Personal Trading**

ERISA Plan Services, Inc. does not currently participate in securities in which it has a material financial interest. ERISA Plan Services, Inc. and its related persons, as a matter of

---

policy, do not recommend to clients, or buy or sell for client accounts, securities in which the firm or its related persons has a material financial interest. ERISA Plan Services, Inc.'s Code of Ethics provides that individuals associated with our firms may buy or sell securities for their personal accounts identical or different than those recommended to clients. However, it is the expressed policy of our firms that no person employed by the firms shall prefer his or her own interest to that of an advisory client nor make personal investment decisions based on investment decisions of advisory clients.

To supervise compliance with the Code of Ethics, our firms require that anyone associated with this advisory practice and who possesses access to advisory recommendations (before or at the time they are entered into) ("access persons") to provide annual securities holding reports and quarterly transaction reports to ERISA Plan Services, Inc.'s Chief Compliance Officer or his or her designee. We also require access persons to receive advance approval from ERISA Plan Services, Inc.'s Chief Compliance Officer or his designee prior to investing in any initial public offerings or private placements, and with regard to trading of certain individual securities. The Code of Ethics further includes our firms' policy prohibiting the use of material non-public information and protecting the confidentiality of client information. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to discipline.

### **Item 7- Requirements for State-Registered Advisers**

No additional information is deemed to be applicable to Jonathan Cruce by the State of South Carolina regarding arbitration action, civil, self-regulatory organizations, or administrative proceedings, or bankruptcy proceedings.