

## Bailard Wealth Management Summary of Material Changes June 29, 2012

This Summary of Material Changes summarizes only the material changes made to Bailard Wealth Management's brochure (ADV Part 2A) from its last annual update on June 29, 2011 to June 29, 2012.

Item 4- Advisory Business: We updated statistics on the number, tenure and qualifications of our staff, as well as the amount of client assets under our management. We also clarified that clients can provide input regarding tax strategies in the management of their portfolios.

Item 5- Fees and Compensation: We updated the HighMark International Opportunities Fund's fee schedule and our financial planning retainer fees.

Item 11- Code of Ethics, Participation or Interest in Client Transactions and Personal Trading: We noted a circumstance where there is no *de minimus* exemption from the preclearance requirements and investment restrictions set forth in the personal trading portion of our Code of Ethics.

Item 12- Brokerage Practices and Item 14-Client Referrals and Other Compensation: We revised these sections to more fully describe: a) our participation in Institutional Custody/Brokerage programs; and b) the nature of our referral arrangements with certain of the broker dealers or custodians that Bailard recommends to its clients and uses to execute client brokerage transactions.

Item 13- Review of Accounts: We clarified and/or updated our description of: a) our tax reporting to Bailard Advisory Service clients; b) the account reviews for our MY-FLEX® and MY-KIN® clients; and c) our other communications to Bailard Wealth Management clients.

Item 15- Custody: We noted that investors in our affiliated private funds receive a copy of each fund's annual audited financial statements.

Item 17- Voting Client Securities: We noted that, in certain circumstances, Bailard may override the voting recommendations of our third party service provider.

Exhibit 1- Trade Priority and Aggregation Policy: We clarified that the Trade Policy Considerations portion of Exhibit 1 applies to Bailard Advisory Service clients.