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This brochure provides information about the qualification and business practices of Cambridge Advisors. If you have any questions about the contents of this brochure, please contact us at (804) 330-5600, or by email at info@cambradv.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 Cambridge Advisors is available on the SEC's website at www.adviserinfo.sec.gov

Material Changes

Annual Update

Cambridge Advisors is providing this information as part of our annual updating amendment.

Material Changes since the Last Update

There are no material changes in this brochure since our previous brochure dated March 15, 2011. We will further provide you with a new brochure as necessary based on changes or new information, at any time.

Currently, you may request our Brochure by contacting Drew E. Biehler, Chief Compliance Officer at 804-330-5600 ext. 12 or info@cambradv.com. Our brochure is also available on our web site www.cambradv.com.

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Advisory Business

Firm Description

Cambridge Advisors (Cambridge) was founded in 1987 as Cambridge Financial Services, Ltd., a corporation organized under the laws of the Commonwealth of Virginia.

Cambridge is a registered investment advisor with the Securities and Exchange Commission (SEC). The firm is registered with the SEC because Cambridge manages over \$25 million in AUM (assets under management), which is the current threshold between state and federal oversight. *It should be noted that the term "registered" does not imply a certain level of skill or training.*

Cambridge is an independent, employee owned wealth management firm with its sole office located in Richmond, Virginia. The firm maintains its independence by not having any affiliations with banks, insurance companies or broker/dealers.

Principal Owners

The founder, W. Duke Grkovic, is the chairman, president and co-owner with Charles R. Roberts, the firm's CEO and Chief Investment Officer.

Types of Advisory Services

Cambridge provides three primary advisory services.

The firm manages investment portfolios for individuals, pension and profit sharing plans, trusts, estates, foundations and business entities. The majority of these assets are managed directly by Cambridge's Investment Policy Committee, which is chaired by the Chief Investment Officer. Some client portfolios are managed through the SEI Management Program (SEI). SEI provides advisory services to Cambridge involving the structure and design of asset allocation models comprised solely of mutual funds managed by SEI. Finally, some client portfolios are managed through the Genworth Financial Wealth Management platform (GFWM). GFWM provides advisory services to Cambridge involving the structure and design of asset allocation models comprised of exchange traded funds (ETF) and mutual funds managed by third-party money managers.

Investing in securities involves various risks, including market, currency, economic, political and business risk and there is the possibility of loss of principal.

Cambridge also provides comprehensive financial planning services for clients, who may or may not be investment advisory clients. Typical financial planning engagements for individuals may include, but are not limited to: insurance needs analysis, education planning, cash flow analysis, retirement income planning and/or estate planning strategies. Typical financial planning engagements for business and business owners may include, but are not limited to: qualified retirement plans, business continuation and succession planning and legacy strategies.

On more than an occasional basis, Cambridge furnishes advice to clients on matters not involving securities.

Tailored Relationships

Most services that Cambridge provides to its clients are customized to their unique needs.

With regard to investment management services, Cambridge Investment Officers take time to understand each client's level of comfort or discomfort with risk. In addition, the Investment Officers consider other criteria such as investment time horizon, tax sensitivity, and income needs. A portfolio allocation is then determined and an appropriate investment platform is selected.

With regard to financial planning services, no two plans are alike. Cambridge utilizes state-of-the-art software to meet each client's needs, whether it is a single goals-based analysis, a sophisticated comprehensive cash-flow or estate transfer analysis.

Wrap Fee Programs

Cambridge does not participate in any wrap fee programs.

Client Assets

As of February 2, 2012 Cambridge managed \$43,398,000 of client assets, all of which were in discretionary accounts. This figure includes assets at SEI Investments and Genworth Financial Wealth Management. Additionally, Cambridge oversees \$3 million in client 401(k) accounts.

Fees and Compensation

Description

As a registered investment advisor, Cambridge receives a fee for the management of client assets. Unlike a broker-dealer, Cambridge does not receive a commission each time a trade is placed. Cambridge bills quarterly, in advance, which means that one-fourth of the annual fee is assessed on the market value of the account at the beginning of the quarter. Billing in advance means that the management fee is for the next three months. An Investment Management Agreement (IMA) governs the relationship between the client and Cambridge. The IMA outlines what the client can expect from Cambridge and what Cambridge can expect from the client. If a client were to close an account during the billing period, they would be entitled to a pro rata refund. Per the terms of the IMA, fees are deducted directly from client accounts.

Fee Billing

Cambridge's standard investment advisory fees vary depending on the size and complexity of the account but do not exceed the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
First \$500,000	1.75%	0.4375%
\$500,001 to \$1,000,000	1.50%	0.3750%
\$1,000,001 to \$2,000,000	1.25%	0.3125%
\$2,000,001 and above	1.00%	0.2500%

All fees are negotiable. Cambridge will combine the accounts of a household in order to take advantage of the break points in the fee schedule. This results in a lower effective fee for each account than if each account were billed separately.

All fees paid to Cambridge for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to the fund shareholders. These fees and expenses are described in each fund's prospectus. Cambridge does not receive any portion of these mutual fund fees and expenses. Whenever possible, Cambridge will utilize "no transaction fee" mutual funds (NTF) that are available through Fidelity's Institutional *FundsNetwork*sm one of the largest mutual fund supermarkets in the industry. NTF funds are typically Class A shares that are purchased at net asset value (NAV), in other words, without a front-end load. On rare occasions, Cambridge may utilize a mutual fund that has a transaction fee. The fees are typically \$25 for each transaction.

Some mutual funds may also impose a contingent deferred sales charge (CDSC) if the fund is sold within a certain time period after purchase. A CDSC may range from 0.50% to 1.0% of the investment value and may be imposed for periods of up to 90 days. While Cambridge does not invest client assets to earn short-term profits, rapidly changing market conditions may warrant the early sale of this type of mutual fund, triggering a CDSC.

A client could invest in securities directly, however the client would not receive the services of Cambridge, which are designed to, among other things, assist the client in determining which funds are most appropriate given the client's financial condition and investment objective. Accordingly, the client should review both the fees charged by the funds and the fees charged by Cambridge in order to fully understand the actual cost to the client and thereby evaluate the advisory services being offered.

In client accounts that are managed under Cambridge's Actively Managed Portfolios (AMP), the primary type of security utilized is the exchange traded fund (ETF). ETFs trade like stocks and as such, the custodian charges a transaction fee for each purchase or sale transaction. These fees can range from \$7.95 to \$12.95 per trade. Cambridge receives no part of these fees.

Client accounts that are managed through the SEI Management Program are assessed an annual fee based on assets under management according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
First \$500,000	1.00%	0.2500%
\$500,001 to \$1,000,000	0.75%	0.1875%
\$1,000,001 to \$1,500,000	0.65%	0.1625%
\$1,500,001 and above	0.50%	0.1250%

Fees are paid quarterly, in advance and are debited directly from the client's account. The above referenced fee schedule does not include custody fees, custodial transaction fees, transfer taxes and other charges mandated by law.

Client accounts that are managed through the Genworth Financial Wealth Management platform are assessed an annual fee based on assets under management according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>	<u>Quarterly Fee</u>
First \$500,000	1.75%	0.4375%
\$500,001 to \$1,000,000	1.50%	0.3750%
\$1,000,001 to \$2,000,000	1.25%	0.3125%
\$2,000,001 and above	1.00%	0.2500%

Fees are paid quarterly, in advance and are debited directly from the client's account. The above referenced fee schedule does not include custody fees, custodial transaction fees, transfer taxes and other charges mandated by law.

Certain custodians may assess a fee when an account is closed. Closure fees are typically \$75.

Other Fees

Cambridge offers comprehensive financial planning services to clients who may or may not be investment management clients. The plans are prepared by an experienced CERTIFIED FINANCIAL PLANNER™ professional. Each plan, like each client, is unique and the fee varies by the scope and complexity of the engagement. The minimum fee is \$1,000 and can exceed \$25,000, although a typical engagement is in the range of \$2,500 to \$4,500. All fees are agreed upon prior to the start of the engagement. Cambridge bills at least 50% of the agreed-upon fee at the beginning of the engagement. The balance of the fee is due upon satisfactory completion of the engagement. From time to time, the scope of the engagement may broaden and require additional fees. Cambridge will provide to the client a written addendum to the initial agreement and no additional work will be done, or fees incurred, unless the client authorizes such work. Financial planning services may be terminated by either party by providing written notice to the other party. Termination will be effective upon receipt. If services are terminated within five business days, of signing the financial planning agreement, services will be terminated without penalty. If services are terminated after five business day, the client will be responsible for the time expended by Cambridge's associated persons prior to the receipt of the termination. The firm will provide a billing statement to the client detailing the time expended prior to receipt of the notice of termination and the fees will be due upon receipt. Financial planning clients are not obligated to utilize Cambridge's investment advisory services, nor are clients obligated to implement plan recommendations through Cambridge.

Additional Compensation

Financial planning clients may, but are not obligated to, implement plan recommendations through Cambridge. At the client's request, Cambridge will research the insurance markets and make recommendations as to a specific insurance carrier and product(s). Messrs. Grkovic and Biehler are independent insurance brokers appointed with numerous insurance companies. Cambridge would receive a commission from the insurance company for placing any life, disability or long-term care policies.

Performance-Based Fees & Side-by-Side Management

Sharing of Capital Gains or Capital Appreciation

Cambridge does not charge any fees based on performance, nor does the firm share in the capital gains or capital appreciation of client accounts.

Types of Clients

Description

The majority of the firm's clients are individuals. Cambridge also manages accounts in qualified plans, trusts, estates and foundations.

Account Minimums

\$250,000 is the general account minimum for investment management services. The firm will consider smaller accounts on a case by case basis.

The minimum investment in the GFWM platform depends upon the investment solution chosen. Generally, the minimum is \$50,000 for mutual fund based accounts, \$100,000 for ETF based accounts and between \$50,000 and \$500,000 for Privately Managed Accounts and/or Unified Managed Accounts.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Cambridge manages the majority of client portfolios utilizing a tactical approach based on the Point and Figure methodology. The primary investment vehicle for this methodology is the exchange traded fund (ETF).

For smaller accounts, defined as having a market value of less than \$100,000, Cambridge will apply a tactical approach using mutual funds as the primary investment vehicle.

Cambridge's securities analysis methods include: charting, fundamental analysis, technical analysis and cyclical analysis. The main sources of investment information include: financial newspapers and magazines, research materials prepared by third parties and prospectuses.

Investment Strategies

Cambridge believes that it is important to utilize strategies that are effective in both generally rising (Bull) markets and falling (Bear) markets. One methodology that has existed since the late-1800's and has been proven effective in both kinds of markets is known as the Point & Figure (PnF) methodology. PnF methodology has developed over the last 100+ years, and remains at its core a logical, organized means for recording the supply and demand relationship in any investment vehicle. If there are more buyers than sellers willing to sell, the price will move higher. If there are more sellers than buyers willing to buy, the price must move lower.

Tactical decisions are made utilizing the research and evaluation techniques of Dorsey, Wright & Associates, who have extensive expertise in PnF charting. This type of analysis attempts to evaluate the supply and demand forces of particular asset classes and ranks them from strongest to weakest based upon relative strength (RS). The ranking process is comprised of the following four steps and given the name DALI - Dynamic Asset Level Investing.

Step 1: A roster is established for each asset class. For instance, in the international equity sector, all areas of the world are represented from Europe to Latin America to Canada to Australia and Asia-Pacific. The process of determining the roster is essential so that no one segment within an asset class has too great of an influence.

Step 2: A relative strength calculation is compiled for each member of the roster versus every other member of the evaluation set. After all individual calculations are computed and charted on a PnF basis, each member now has its number of RS "wins."

Step 3: The total number of "wins" for each individual member of the asset class is added together to get a composite score for the entire asset class. The asset classes are then ranked from 1 to 6, with one being the strongest asset class. The asset classes ranked are as follows:

Domestic Equities	Currencies
International Equities	Fixed Income
Commodities	Cash

Step 4: The top two asset classes are eligible to be deemed as Emphasized in DALI, but they must pass one last hurdle. The asset class is compared to Cash on a PnF relative strength basis. If Cash is stronger, Cash takes its place as Emphasized in DALI. Cash is the only asset class that can occupy both of the Emphasized Asset Class spots in DALI.

Risk of Loss

Cambridge takes risk management very seriously and utilizes state-of-the-art software to determine a client's risk profile. The FinaMetrica system provides Cambridge with resources that enable best practice in educating clients about risk and return, and in managing their expectations of risk and return. The client completes a questionnaire that results in a raw score that ranges from 0 to 100. This score correlates to a risk group, which in turn determines the maximum amount of a client's portfolio that will be subject to growth assets. The balance of the portfolio is invested in fixed income securities and cash. The following table outlines the relationship:

<u>Investment Objective</u>	<u>Growth Assets</u>	<u>Fixed Income</u>
Preservation	0%	100%
Income	20%	80%
Income & Growth	40%	60%
Growth & Income	60%	40%
Growth	80%	20%
Aggressive Growth	100%	0%

Risk is managed at the asset class level whenever there is a change in DALI. This occurs when one of the other asset classes demonstrates higher relative strength than the emphasized asset classes. Risk is managed *within* the asset classes by daily monitoring of the PnF charts of each

of the holdings. Several technical criteria are reviewed including: relative strength, momentum, moving averages and support/resistance levels.

At times, stop-loss orders may be placed on a given security in an attempt to prevent a significant loss due to rapid deterioration in the underlying security, the sector or general market conditions. The use of margin and covered option writing may also be used on occasion, assuming the appropriate documentation and authorization have been executed. In rare instances, Cambridge may utilize ETFs that are designed to double or triple the performance of an underlying index or double or triple the inverse of the performance of an underlying index.

The tactical investment approach *may* involve more frequent trading of investment securities than a more static, strategic investment approach. Frequent trading can affect the investment performance due to increased trading costs and taxes.

Risk is managed in these accounts by reviewing portfolio holdings at least quarterly by the Chief Investment Officer or a member of the Investment Policy Committee. A material addition or subtraction from the account, or changes to a fund's portfolio manager or fund strategy would also trigger a review. Portfolio allocations are compared with each account's target allocation in order to ensure that the account is within an acceptable tolerance of variation.

No matter what the methodology, investing in securities involves various risks, including market, currency, economic, political and business risk and there is the possibility of loss of principal.

Disciplinary Information

Legal and Disciplinary

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary actions that would be material to a prospective client's evaluation of Cambridge and its personnel. Cambridge and all persons associated with the firm are in good standing with federal and state regulatory agencies and all professional credentialing and licensing organizations.

Criminal or Civil Action

There are no criminal or civil actions pending against Cambridge or any persons associated with the firm.

Administrative Proceeding

There are no administrative actions pending against Cambridge or any persons associated with the firm.

Self-Regulatory Proceeding

There are no self-regulatory proceedings pending against Cambridge or any persons associated with the firm.

Other Financial Industry Activities and Affiliations

Broker-dealer or Registered Representative

Cambridge is not registered as a securities broker-dealer. No management persons are registered, or have an application pending as a registered representative of a broker-dealer.

Futures Commission Merchant, Commodity Pool Operator, Commodity Trading Adviser or Associated Person

Neither Cambridge nor any management persons are registered, or have an application pending, as a futures commission merchant, commodity pool operator or commodity trading advisor.

Material Relationships or Arrangements with Financial Industry

Messrs. Grkovic, Roberts and Biehler are members in good standing with the Financial Planning Association and CERTIFIED FINANCIAL PLANNER BOARD OF STANDARDS, INC.

Recommend or Select Other Investment Advisers

With respect to client assets invested on the GFWM platform, Cambridge introduces clients to, and advises on the selection of, independent investment advisors who provide discretionary management of client portfolios, including a wide variety of investment types. Clients will receive a separate disclosure document from such investment advisors regarding their advisory services. Cambridge receives a portion of the fees based on the schedule previously outlined.

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

Code of Ethics

Cambridge has adopted a Code of Ethics designed to comply with Rule 204A-1 under the Investment Advisors Act of 1940. The Code is designed to ensure that the high ethical standards long maintained by Cambridge continue to be applied. The purpose of the Code is to preclude activities which may lead to or give the appearance of conflict of interest, insider trading and other forms of prohibited or unethical business conduct. Every employee of the firm is given a copy of the Code and must provide to the chief compliance officer a signed document indicating that they have read and understand all of the provisions of the Code. Cambridge will provide a copy of the Code of Ethics to any client or prospective client upon request.

Messrs. Grkovic, Roberts and Biehler are CFP® professionals and as such are subject to the CFP Board's *Standards of Professional Conduct*. These standards set forth the ethical guidelines for CFP® professionals and are actively enforced through an investigative and disciplinary process. Enforcement of these standards is one of the key elements that distinguishes the CFP® professional from other financial industry credentials. In order to remain certified, each CFP® professional must complete a two-hour ethics course every biennium and sign an affidavit that they will comply with the standards. Failure to uphold the *Standards of*

Professional Conduct could result in disciplinary action up to and including revocation of the right to use the CFP® marks.

Additionally, Messrs. Grkovic and Biehler are members of the Financial Planning Association (FPA). FPA mandates that members adhere to a Code of Ethics that reflects their commitment to help clients achieve their life goals. All FPA members are asked to commit to this Code. FPA's Ethics Committee is charged by the Board of Directors with reviewing alleged violations to the Code of Ethics and advising staff on ways to enhance awareness by FPA members of their obligations under the Code. The Code covers the following topics: Integrity, Objectivity, Competence, Fairness, Confidentiality, Professionalism and Diligence.

Recommend Securities with Material Financial Interest

Cambridge does not permit any employee transactions in securities where there is or appears to be a material financial interest.

Invest in Same Securities Recommended to Clients

Cambridge or its employees may from time to time purchase or sell securities that the firm recommends to advisory clients. Cambridge's Code of Ethics establishes rules of conduct for all employees and is designed to, among other things, govern personal securities trading activities in the accounts of employees, immediate family and accounts in which an employee has a beneficial interest. The Code is based upon the principle that Cambridge and its employees owe a fiduciary responsibility to the firm's clients. As such, the firm and its employees are required to conduct their affairs, including personal securities transactions, in such a manner as to avoid:

- Serving their own personal interests ahead of clients
- Taking inappropriate advantage of their position with the firm, and
- any actual or potential conflicts of interest or any abuse of their position of trust and responsibility

Personal Trading Policies

Every new employee is required, within 10 days of employment, to file an initial holdings report containing the following information:

- The title and exchange ticker symbol or CUSIP number, type of security, number of shares and principal amount (if applicable) of each reportable security in which the employee had any direct or indirect beneficial interest ownership when the person becomes a supervised person;
- The name of any broker, dealer or bank, account name, number and location with whom the employee maintained an account in which any securities were held for the direct or indirect benefit of the employee; and
- The date that the report is submitted by the employee.

Every employee is required, no later than January 31 each year, to file an annual holdings report containing the same information required in the initial holdings report as described above.

Every employee is required to, no later than thirty (30) days after the end of each calendar quarter, file a quarterly transaction report containing the following information:

- The date of the transaction, the title and exchange ticker symbol or CUSIP number, the interest rate and maturity date (if applicable), the number of shares and the principal amount (if applicable) of each covered security;
- The nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition);
- The price of the reportable security at which the transaction was effected;
- The name of the broker, dealer or bank with or through whom the transaction was effected; and
- The date the report is submitted by the supervised person.

The chief compliance officer, or a designee, will monitor and review all reports required under the Code and applicable SEC rules and regulations.

Brokerage Practices

Selecting Brokerage Firms

Cambridge has evaluated Fidelity and believes that it will provide Cambridge clients with a blend of execution services, commission costs and professionalism that will assist Cambridge in obtaining best execution for transactions. Clients should be aware that Cambridge is enrolled in the Institutional Wealth Services ('IWS') program sponsored by Fidelity and receives certain benefits from Fidelity that it would not receive if it did not provide investment advice.

Cambridge reserves the right to decline acceptance of any client account that directs the use of a broker-dealer other than Fidelity if Cambridge believes that this choice would hinder its fiduciary duty to the client. In directing the use of Fidelity it should be understood that Cambridge will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another broker-dealer). Clients should note, while Cambridge has a reasonable belief that Fidelity is able to obtain best execution and competitive prices, Cambridge will not be independently seeking best execution price capability through other broker-dealers.

Research and Soft Dollars

As indicated above, Cambridge utilizes the services of the IWS program sponsored by Fidelity. While there is no direct linkage between the investment advice given to clients and Cambridge's participation in the IWS program, economic benefits are received by Cambridge, which would not be received if Cambridge did not provide investment advice to clients. These benefits include: A dedicated trading desk that services IWS participants exclusively, a dedicated service group and an account services manager dedicated to Cambridge accounts, access to a real-time order matching system, ability to 'block' client trades, electronic download of trades, balances and positions, access, for a fee, to an electronic interface with IWS's software, duplicate and batched client statements, confirmations and year-end summaries, the ability to have advisory fees directly debited from client accounts (in accordance with federal and state requirements), availability of third-party research and technology, a quarterly newsletter, access to Fidelity mutual funds, access to WealthCentral (internet access to statements, confirmations

and transfer of asset status), access to over 350 mutual fund families and 4,500 mutual funds NOT affiliated with Fidelity, of which over 2,000 have no transaction fee, ability to have loads waived for Cambridge clients who invest in certain Fidelity loaded funds, when certain conditions are met and maintained. The benefits received through participation in the IWS program may depend upon the amount of transactions directed to, or amount of assets held in custody by Fidelity.

With respect to the GFWM platform, Cambridge may, subject to negotiation with GFWM, receive certain allowances, reimbursements or services from GFWM similar to IWS in connection with Cambridge's investment advisory services to its clients.

Brokerage for Client Referrals

Cambridge does not direct clients to other broker-dealers and therefore receives no soft dollars or client referrals.

Directed Brokerage

In order to be eligible for the SEI Management Program, clients are required to use SEI Financial Services, a FINRA registered broker-dealer, for the placement of all trades. Therefore, Cambridge, through its recommendation of the SEI Management Program, is recommending SEI Financial Services as the broker-dealer to be used. SEI Trust Company, a subsidiary of SEI Corporation, acts as the transfer agent and custodian for SEI Management Program accounts. Cambridge client accounts are required to be maintained at SEI Trust Company in order to participate in the SEI Management Program. In directing the use of SEI Trust Company it should be understood that Cambridge will not have the authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients.

Order Aggregation

Clients whose accounts are managed under Cambridge's AMP program have model portfolios that are comprised primarily of ETFs. Whenever possible, Cambridge will aggregate buy or sell orders into a single order, known as a block trade. This approach may result in a lower cost for some client accounts. More importantly, once the trade is filled, the shares are allocated to the various accounts and all shares will receive the same average cost of the trade. This ensures fairness in the allocating of the cost of the trade.

Review of Accounts

Periodic Reviews

The frequency of client investment account reviews depends on the strategy. For client accounts that are managed under Cambridge's AMP strategy, specific holdings in the model portfolios are reviewed daily. The Investment Policy Committee meets weekly to discuss overall strategy and any changes to DALI as described in detail in the **Investment Strategies** section. Members of the committee review a Drift Report which details the holdings of each account and whether or not the allocation is within model tolerance. Members of the IPC will exercise

discretion with regard to rebalancing specific accounts based on market factors present at the time.

Accounts that are not managed tactically, or are invested on the SEI or Genworth platforms are reviewed at least quarterly by members of the IPC.

The performance of all accounts at Cambridge are reviewed quarterly by members of the IPC and compared with relevant benchmarks in order to assess the effectiveness of the strategy. Clients may request a meeting to discuss any aspect of their portfolio whenever they wish.

Reviews of financial planning clients occur at least annually, or whenever a client request a review. The purpose of the review is to update plan information and assess the effectiveness of the implementations of plan recommendations.

Review Triggers

Events that would trigger a review of a specific client's investment account(s) or financial plan would include, but are not limited to: a major life event (e.g. death, inheritance or other significant increase/decrease in net worth), onset of retirement or disability, change in employment status, the need for income for college expenditures or major purchase.

Regular Reports

Clients receive performance reports for each account prepared by Cambridge on a quarterly basis. These reports are prepared using best-in-class software that integrates with the custodian's data base. The report compares the account's time-weighted return performance over various timeframes against standard benchmarks over the same period. Additional information displays the general allocation among equities, fixed income and cash as well as realized and unrealized gains/losses as of the date of the report.

Performance reports for accounts held at SEI or GFWM are prepared by the respective custodian and forwarded to Cambridge.

Client Referrals and Other Compensation

Economic Benefits

Cambridge does not compensate any individuals or firms for referrals. Certain benefits are received through IWS, SEI or GFWM, as more fully described in the **Research and Soft Dollars** section.

Third Party Solicitors

Cambridge does not utilize the services of third party solicitors.

Custody

Account Statements

Cambridge does not take possession of client assets. The majority of client accounts are held in custody at Fidelity Investments. Accounts invested on the SEI platform are held in custody at

SEI Trust Company. Accounts invested on the GFWM platform are either held at Fidelity or Genworth Financial Trust Company depending on the specific program selected. Clients receive monthly statements and transaction reports from the respective custodians. Quarterly performance reports and billing statements are also provided.

Investment Discretion

Discretionary Authority for Trading

Cambridge manages client assets on a discretionary basis. This means that when a client engages Cambridge for investment management services, they grant the investment officers of the firm authority to make the decisions as to not only *what* to buy/sell but also *when* to buy/sell without needing to consult the client first. This authority is detailed in the Investment Management Agreement.

Limited Power of Attorney

On occasion, the client will grant Cambridge a limited power of authority or limited trading authorization to effect transactions on behalf of the client in accounts such as 401(k)/403(b) plans. Cambridge does not have the authority to withdraw funds and/or securities, to request loans or to change an address or modify logon credentials.

Voting Client Securities

Proxy Voting

Cambridge has chosen to not vote proxies on behalf of advisory clients. Clients will receive proxies or other solicitation directly from their custodian, transfer agent or Cambridge. Clients may contact Cambridge for assistance in understanding a particular solicitation.

Financial Information

Financial Condition

Cambridge has no financial commitments that would impair its ability to meet any contractual and fiduciary responsibilities to clients, nor has the firm been the subject of a bankruptcy proceeding.

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February 2, 2012

This brochure supplement provides information about W. Duke Grkovic that supplements Cambridge Advisors' brochure. You should have received a copy of that brochure. Please contact Drew E. Biehler if you did not receive Cambridge Advisors' brochure or if you have any questions about the contents of this supplement.

Additional information about W. Duke Grkovic is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background & Business Experience

Name, Year of Birth

W. Duke Grkovic, born 1943

Formal Education

Mr. Grkovic earned a bachelor degree from Cornell University and a Master of Science in Financial Services from The American College.

Business Background

After serving his country with the U.S Army in Vietnam, Mr. Grkovic embarked on a financial services career that has spanned four decades. He worked for Connecticut General, a major life insurance company, specializing in designed solutions for estate tax problems. From 1971 to 1979 Mr. Grkovic was involved with several entrepreneurial ventures in the food services industry, including the ownership of several restaurants. While working for the Burger King Corporation he was involved in franchise development. Mr. Grkovic returned to the financial services industry in 1979 when he joined Manufactures Financial Services Group. He specialized in the design and implementation of sophisticated financial, business and estate planning strategies. In 1987, Mr. Grkovic founded Cambridge Financial Services, Ltd. (t/a Cambridge Advisors) to assist clients in developing wealth accumulation and preservation strategies.

Mr. Grkovic currently serves as Cambridge's Chairman and President and is a 50% owner of the firm.

Description of Professional Designations

Mr. Grkovic currently maintains the following professional designations:

- CERTIFIED FINANCIAL PLANNER (CFP®)
- Chartered Financial Consultant (ChFC®)
- Chartered Life Underwriter (CLU®)

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.

The marks CLU® and ChFC® are the property of The American College and may only be used by individuals who have successfully completed the initial and ongoing certification requirements for these designations

The CLU® curriculum is a self-study based program, comprised of 8 courses (5 required and 3 elective). The ChFC® curriculum is a self-study based program, comprised of 9 courses (7 required and 2 elective). If an individual has earned the CLU® designation, he or she can also earn the ChFC® designation by completing a minimum of four additional courses.

To receive these designations, the individual must complete all coursework and successfully pass the exams. In addition, the individual must meet experience requirements (three years) and ethics standards and agree to comply with The American College Code of Ethics.

Disciplinary Information

Legal or Disciplinary Events

Investment advisor representatives 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. There are no current or pending criminal or civil actions, administrative proceedings or Self-Regulatory Organization proceedings against Mr. Grkovic. He is a member in good standing with the CFP Board of Standards and the Financial Planning Association.

Other Business Activities

Investment-related Activities

Aside from being a registered investment advisor with Cambridge, Mr. Grkovic is not involved in any other investment related activities. He is licensed to sell various insurance products and is appointed with a number of insurance carriers. Any commissions earned on the placement of insurance products is assigned to Cambridge .

Other Business or Occupation for Compensation

Mr. Grkovic is not involved in any business other than his involvement with Cambridge, nor does he receive any compensation for his work with several community organizations.

Additional Compensation

Economic Benefit

Mr. Grkovic receives no additional compensation other than his salary and bonuses.

Supervision

Describe Supervision

As an employee of Cambridge, Mr. Grkovic is subject to Cambridge's Code of Ethics. The purpose of the Code is to ensure that the high ethical standards long maintained by Cambridge continue to be applied. Mr. Grkovic's personal compliance documents are submitted to and reviewed quarterly by the Chief Compliance Officer of Cambridge.

Name, Title and Telephone Number of Supervisor Charles R. Roberts (804) 330-5600

Charles R. Roberts
Cambridge Advisors
808 Moorefield Park Drive
Suite 118
Richmond, VA 23236
804.330.5600

February 2, 2012

This brochure supplement provides information about Charles R. Roberts that supplements Cambridge Advisors' brochure. You should have received a copy of that brochure. Please contact Drew E. Biehler, Chief Compliance Officer if you did not receive Cambridge Advisors' brochure or if you have any questions about the contents of this supplement.

Additional information about Charles R. Roberts is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background & Business Experience

Name, Year of Birth

Charles R. Roberts, born 1952

Formal Education

Mr. Roberts earned a Bachelor of Arts in Economics (with honors) from Pennsylvania State University. In addition, he is a graduate of the University of Pennsylvania, Wharton School's Securities Industry Institute.

Business Background

Mr. Roberts has significant and diverse experience leading Broker Dealer and Advisory Firms. Positions in the financial services industry include Financial Advisor, Financial Planner, Assistant Branch Manager, Regional Product Director, Branch Manager, Branch Complex Manager, Regional Manager, Director of Branches & Sales, Managing Director of Private Client Group, Chief Operating Officer, Chief Compliance Officer, Chairman of Wealth Management Services, and President & CEO. This depth of experience over the last 30 years enables him to add significant value for Cambridge clients.

Additionally, Mr. Roberts has served on numerous regulatory committees such as the NASD (now FINRA) District 7 Committee.

He currently serves as Cambridge's Chief Executive Officer and Chief Investment Officer and is a 50% owner of the firm.

Description of Professional Designations

Mr. Roberts is a CERTIFIED FINANCIAL PLANNER™ (CFP®) professional. 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.

Disciplinary Information

Legal or Disciplinary Events

Investment advisor representatives 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. There are no current or pending criminal or civil actions, administrative proceedings or Self-Regulatory Organization proceedings against Mr. Roberts. He is a member in good standing with the CFP Board of Standards and the Financial Planning Association.

Other Business Activities

Investment-related Activities

Aside from being a registered investment advisor with Cambridge, Mr. Roberts is not involved in any other investment related activities.

Other Business or Occupation for Compensation

Mr. Roberts is not involved in any business other than his involvement with Cambridge.

Additional Compensation

Economic Benefit

Mr. Roberts receives no additional compensation other than his salary and bonuses.

Supervision

Describe Supervision

As an employee of Cambridge, Mr. Roberts is subject to Cambridge's Code of Ethics. The purpose of the Code is to ensure that the high ethical standards long maintained by Cambridge continue to be applied. Mr. Robert's personal compliance documents are submitted to and reviewed quarterly by the Chief Compliance Officer of Cambridge.

Name, Title and Telephone Number of Supervisor

W. Duke Grkovic, President, (804) 330-5600

Drew E. Biehler
Cambridge Advisors
808 Moorefield Park Drive
Suite 118
Richmond, VA 23236
804.330.5600

February 2, 2012

This brochure supplement provides information about Drew E. Biehler that supplements Cambridge Advisors' brochure. You should have received a copy of that brochure. Please contact Drew E. Biehler if you did not receive Cambridge Advisors' brochure or if you have any questions about the contents of this supplement.

Additional information about Drew E. Biehler is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background & Business Experience

Name, Year of Birth

Drew E. Biehler, born 1962

Formal Education

Mr. Biehler earned a Bachelor of Science in Management (finance emphasis) from Purdue University.

Business Background

Twenty years ago, Mr. Biehler made a career change from corporate finance to personal financial planning. He initially worked as an agent for a major life insurance carrier. During this time Mr. Biehler became licensed to sell life, health, disability income and long-term care insurance. In addition, he became NASD (now FINRA) licensed to sell various securities products.

In the years since, Mr. Biehler has worked for firms ranging from a small family-owned insurance agency, a benefits consulting partnership, a large Wall Street wire house and various registered investment advisor firms. Positions have ranged from agent, investment officer, portfolio manager, director of financial planning and chief compliance officer.

He is an active member of the local chapter of the Financial Planning Association, having served as a board member and president for many years.

Mr. Biehler currently serves as Cambridge's Chief Compliance Officer and Director of Financial Planning.

Description of Professional Designations

Mr. Biehler currently maintains the following professional designations:

- CERTIFIED FINANCIAL PLANNER (CFP®)
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required and 2 elective). If an individual has earned the CLU® designation, he can also earn the ChFC® designation by completing a minimum of four additional courses.

To receive these designations, the individual must successfully complete all courses and exams. In addition, the individual must meet experience requirements (three years) and ethics standards and agree to comply with The American College Code of Ethics.

Disciplinary Information

Legal or Disciplinary Events

Investment advisor representatives 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. There are no current or pending criminal or civil actions, administrative proceedings or Self-Regulatory Organization proceedings against Mr. Biehler. He is a member in good standing with the CFP Board of Standards and the Financial Planning Association.

Other Business Activities

Investment-related Activities

Aside from being a registered investment advisor with Cambridge, Mr. Biehler is not involved in any other investment related activities. He is licensed to sell various insurance products and is appointed with a number of insurance carriers. Any commissions earned on the placement of insurance products is assigned to Cambridge .

Other Business or Occupation for Compensation

Mr. Biehler is not involved in any business other than his involvement with Cambridge, nor does he receive any compensation for his work with several community organizations.

Additional Compensation

Economic Benefit

Mr. Biehler receives no additional compensation other than his salary and bonuses.

Supervision

Describe Supervision

Mr. Biehler is the Chief Compliance Officer of Cambridge. In this role, he is responsible for ensuring that Cambridge and all employees are, at a minimum, operating within the guidelines of all applicable federal and state securities regulations. As an employee of Cambridge, he is subject to Cambridge's Code of Ethics. The purpose of the Code is to ensure that the high ethical standards long maintained by Cambridge continue to be applied. Mr. Biehler's personal compliance documents are submitted to and reviewed quarterly by W. Duke Grkovic, President of Cambridge.

Name, Title and Telephone Number of Supervisor

W. Duke Grkovic, President, (804) 330-5600