

Form ADV

Part 2A, Appendix 1 Wrap Brochure

March 28, 2012

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This wrap fee program brochure ("Wrap Brochure") provides information about the qualifications and business practices of Hays Advisors, LLC ("Hays Advisory") in connection with the wrap fee program(s) ("Program(s)") we sponsor and/or manage. You should review this Wrap Brochure in conjunction with our separate general disclosure document (our "Brochure"), as well as our separate brochure supplement ("Supplement") related to the persons who may be providing you with specific investment advisory services or those individuals who may contribute to the creation of the investment advice we provide to you. The information in this Wrap Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

If you have any questions about the contents of this Wrap Brochure, our general Brochure, or our Supplement(s), please contact us at 615-467-6070 or info@haysadvisory.com. Additional information about Hays Advisory or any of our supervised persons (who are registered under our firm) is also available on the SEC's Investment Adviser Public Disclosure ("IAPD") which can be found at www.adviserinfo.sec.gov.

The format/layout of this Wrap Brochure has been dictated by the SEC. As such, the Wrap Brochure's table of contents can be found after the "Material Changes" section of this Wrap Brochure, not at the beginning of the Wrap Brochure. The subsections appearing under each heading shall follow the mandated ordering of the items required to be addressed in this Wrap Brochure as set forth in the instructions and guidance issued by the SEC in regard to Part 2A Appendix 1 of the Form ADV. Hays Advisory's response to each such item shall immediately follow each numbered item. We encourage any reader of this Wrap Brochure to also refer to the SEC's instructions and guidance related to Part 2A Appendix 1 of the Form ADV. Throughout this Wrap Brochure, any references to "we," "our," "ours," "us," etc. are meant to refer to Hays Advisory.

II. Material Changes

Effective date of our most recently completed annual update to our Wrap Brochure:

There have been no material changes since the date of our last annual update.

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Key Definitions

There are several terms used throughout this Brochure that are defined in the Glossary of the Form ADV. The full Form ADV and its glossary can be found on the SEC's web site at <http://www.sec.gov/about/forms/formadv.pdf>, however, several of the more important terms that are used throughout this Brochure are provided below for your reference. The definitions appear below as they appear in the glossary of the ADV so be mindful that all references made to "you," "your," or "yours" are intended to refer to Hays Advisory. Each term is presented in alphabetical order, not necessarily its order of appearance or use in this Brochure.

Advisory Affiliate: Your advisory affiliates are (1) all of your officers, partners, or directors (or any person performing similar functions); (2) all persons directly or indirectly controlling or controlled by you; and (3) all of your current employees (other than employees performing only clerical, administrative, support or similar functions).

Control: Control means the power, directly or indirectly, to direct the management or policies of a person, whether through ownership of securities, by contract, or otherwise. Each of your firm's officers, partners, or directors exercising executive responsibility (or persons having similar status or functions) is presumed to control your firm. A person is presumed to control a corporation if the person: (i) directly or indirectly has the right to vote 25 percent or more of a class of the corporation's voting securities; or (ii) has the power to sell or direct the sale of 25 percent or more of a class of the corporation's voting securities. A person is presumed to control a partnership if the person has the right to receive upon dissolution, or has contributed, 25 percent or more of the capital of the partnership. A person is presumed to control a limited liability company ("LLC") if the person: (i) directly or indirectly has the right to vote 25 percent or more of a class of the interests of the LLC; (ii) has the right to receive upon dissolution, or has contributed, 25 percent or more of the capital of the LLC; or (iii) is an elected manager of the LLC. A person is presumed to control a trust if the person is a trustee or managing agent of the trust.

Management Persons: Anyone with the power to exercise, directly or indirectly, a controlling influence over your firm's management or policies, or to determine the general investment advice given to the clients of your firm. Generally, all of the following are management persons: Your firm's principal executive officers, such as your chief executive officer, chief financial officer, chief operations officer, chief legal officer, and chief compliance officer; your directors, general partners, or trustees; and other individuals with similar status or performing similar functions; The members of your firm's investment committee or group that determines general investment advice to be given to clients; and If your firm does not have an investment committee or group, the individuals who determine general investment advice provided to clients (if there are more than five people, you may limit your firm's response to their supervisors).

Person: A natural person (an individual) or a company. A company includes any partnership, corporation, trust, limited liability company ("LLC"), limited liability partnership ("LLP"), sole proprietorship, or other organization.

Related Person: Any advisory affiliate and any person that is under common control with your firm.

Self-Regulatory Organization or SRO: Any national securities or commodities exchange, registered securities association, or registered clearing agency. For example, the Chicago Board of Trade ("CBOT"), FINRA and New York Stock Exchange ("NYSE") are self-regulatory organizations.

Supervised Person: Any of your officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on your behalf and is subject to your supervision or control.

IV. Services, Fees, and Compensation

IV.(A-D). Services and Fees

Service:	<i>Hays Advisory Wrap Program</i>
Service description:	<p>We manage some accounts under a wrap fee program. This program is closed to new investors. Current clients with open accounts in Hays Advisory's Wrap Program may have the option to open additional accounts in this program. On a discretionary basis, we may design, revise and reallocate a custom investment portfolio for you. Investments are determined based upon factors such as your investment objectives, risk tolerance, net worth, net income, age, time horizon, tax situation and other various suitability factors.</p> <p>A wrap fee program is a program that offers participants a suite of services such as asset allocation; portfolio management; trade execution; and certain administrative activities, all for a single fee – typically an annual, asset-based fee. A wrap fee program is designed to assist clients in obtaining professional asset management, brokerage, custodial, and administrative services for a convenient, "wrapped" fee.</p> <p>There are several main roles that can be served in relation to a wrap program.</p> <p>Lead Sponsor – The lead sponsor is the investment adviser firm that principally organizes the wrap program and determines which program managers will be made available in the wrap program; which broker-dealers and/or custodians will be used in the wrap program; as well as the overall fee structure for the wrap program. The lead sponsor would also generally coordinate the engagement of other investment advisers (referring parties, or solicitors) who may refer clients of their own to participate in the wrap program. The lead sponsor in some cases may and in some cases may not provide the hands on management of a wrap client's assets within the wrap program. In some cases, the lead sponsor may be responsible for selecting the specific program manager that will be responsible for providing the hands on management of a wrap client's assets within the wrap program.</p> <p>Solicitor – A solicitor generally does not serve as the lead sponsor and does not serve as a program manager within the wrap program. The solicitor simply recommends that its clients participate in the wrap program and in some cases, the solicitor may recommend one or more program managers made available within the wrap program. In certain circumstances, a solicitor may also be considered a sponsor but generally not the lead sponsor.</p> <p>Program Manager – The program manager(s) are generally investment adviser firms that are responsible for the hands on management of a wrap client's assets within the wrap program. The program managers generally are selected by the lead sponsor as investment advisers available within the wrap program.</p> <p>In relation to wrap programs, we participate in the following manner.</p> <p><input checked="" type="checkbox"/> <u>Lead Sponsor and Sole Program Manager</u></p> <ul style="list-style-type: none"> • Coordinate and organize the wrap program. • Determine the broker-dealer(s) that will be used in the wrap program. • Determine the custodian(s) that will be used in the wrap program. • Determine the overall fee structure for the wrap program. • Coordinate the engagement of solicitors.

	<ul style="list-style-type: none"> • Provide the hands on management (discretionary) of a wrap client's program assets. Our services in connection with our wrap fee program will not differ materially from our discretionary ongoing asset management services with the exception of the wrap fee component. We may design, revise, and reallocate a custom investment portfolio for you. Investments are determined based upon factors such as your investment objectives, risk tolerance, net worth, net income, age, time horizon, tax situation and other various suitability factors. <p>You should also carefully consider the following information before deciding to participate in our wrap fee program.</p> <ul style="list-style-type: none"> • Wrap fee programs may not be suitable for all investment needs, and any decision to participate in a wrap fee program should be based on your individual financial circumstances and investment goals. • The benefits under a wrap fee program depend, in part, upon the size of your account and the number of transactions likely to be generated in the account. For example, wrap accounts may not be suitable for accounts with little activity or accounts comprised principally of fixed income securities. • Participating in a wrap fee program may cost more or less than the cost of purchasing such services separately from the broker or dealer. • We receive compensation as a result of your participation in a wrap program. • We may have a financial incentive to recommend our wrap program over other programs and services. • We may have a financial incentive to trade less often for client accounts participating in the Hays Advisory Wrap Program than for other client accounts because we are obligated to pay for all securities transaction costs in these types of accounts. This could result in potentially different performance returns from client accounts not participating in the Hays Advisory Wrap Program.
Use of discretion:	<p>Depending on your individual needs and the services you request of us, we may exercise full discretion as to the securities to be bought or sold, the amount of securities to be bought or sold, the timing as to when such securities are to be bought or sold, the broker-dealer and/or custodian to be used, and the commission rates to be paid for securities brokerage activities.</p> <p>We have instituted a practice of "trading away" in which we have the authority to select the executing broker to attempt to receive a more favorable execution price for the client. You should be aware that not all broker-dealers participate in this trading away process. As such, if your broker-dealer does not allow us to trade away, then trades for your account will be placed after the trades of other clients whose broker-dealers do allow trade away executions. You should understand that our practice of trading away may result in certain clients paying and receiving different execution prices on the same security. Historical routing information will be made available upon request.</p> <p>Our specific discretionary authority will be described fully in your Agreement with us. Please refer also to our ADV Part 2A Item XII for additional information about our brokerage practices.</p>
Service fees:	For the service described above, we charge an annual, asset-based fee structure.

	<table border="1"> <thead> <tr> <th data-bbox="492 222 987 254">Account Asset Value</th><th data-bbox="987 222 1430 254">Fee Rate*</th></tr> </thead> <tbody> <tr> <td data-bbox="492 254 987 296">\$0 to \$249,999</td><td data-bbox="987 254 1430 296">2.00 %</td></tr> <tr> <td data-bbox="492 296 987 338">\$\$250,000 to \$499,999</td><td data-bbox="987 296 1430 338">1.75%</td></tr> <tr> <td data-bbox="492 338 987 380">\$\$\$500,000 to \$999,999</td><td data-bbox="987 338 1430 380">1.50%</td></tr> <tr> <td data-bbox="492 380 987 422">\$1,000,000 to 1,999,999</td><td data-bbox="987 380 1430 422">1.25%</td></tr> <tr> <td data-bbox="492 422 987 464">2,000,000 to \$4,999,999</td><td data-bbox="987 422 1430 464">1.00%</td></tr> <tr> <td data-bbox="492 464 987 506">\$5,000,000 and up</td><td data-bbox="987 464 1430 506">Negotiable</td></tr> <tr> <td colspan="2" data-bbox="492 506 1430 548">Other fee/account maintenance conditions...</td></tr> <tr> <td data-bbox="492 548 987 642">Minimum account/portfolio balance (initial):</td><td data-bbox="987 548 1430 642"> <input type="checkbox"/> None <input checked="" type="checkbox"/> \$500,000 </td></tr> <tr> <td data-bbox="492 642 987 1010">Minimum account/portfolio balance (ongoing):</td><td data-bbox="987 642 1430 1010"> Should the market value of your account fall below the stated minimum, as agreed to in your Agreement, because of withdrawals, distributions, or your request to transfer account assets, we will have the right to require that additional monies be deposited to bring the account value up to the required minimum, or terminate the account. In some circumstances, minimum account values may be negotiable. </td></tr> <tr> <td data-bbox="492 1010 987 1073">Minimum annual fee:</td><td data-bbox="987 1010 1430 1073"> <input checked="" type="checkbox"/> None <input type="checkbox"/> \$ </td></tr> </tbody> </table> <p data-bbox="492 1104 1430 1136">*Fee rate applies to the total account value. Example - \$4,000,000 x 1.00% =\$40,000</p> <p data-bbox="492 1167 1430 1230">All fee arrangements are negotiable at our sole discretion. Specific fee arrangements will be described fully in your Agreement with us.</p>	Account Asset Value	Fee Rate*	\$0 to \$249,999	2.00 %	\$\$250,000 to \$499,999	1.75%	\$\$\$500,000 to \$999,999	1.50%	\$1,000,000 to 1,999,999	1.25%	2,000,000 to \$4,999,999	1.00%	\$5,000,000 and up	Negotiable	Other fee/account maintenance conditions...		Minimum account/portfolio balance (initial):	<input type="checkbox"/> None <input checked="" type="checkbox"/> \$500,000	Minimum account/portfolio balance (ongoing):	Should the market value of your account fall below the stated minimum, as agreed to in your Agreement, because of withdrawals, distributions, or your request to transfer account assets, we will have the right to require that additional monies be deposited to bring the account value up to the required minimum, or terminate the account. In some circumstances, minimum account values may be negotiable.	Minimum annual fee:	<input checked="" type="checkbox"/> None <input type="checkbox"/> \$
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Minimum annual fee:	<input checked="" type="checkbox"/> None <input type="checkbox"/> \$																						
Other fees:	<p data-bbox="492 1266 1430 1413">You may also incur, relative to certain investment products (such as ETFs), charges imposed directly at the investment product level (i.e. ETFs charge an expense ratio which will be deducted from the daily value of the ETF in your account). The management fee for this type of account is negotiable at our sole discretion. Specific fee arrangements will be described fully in your Agreement with us.</p> <p data-bbox="492 1444 1430 1507">Refer to our ADV Part 2A Item V.(E) and Item XII for additional information regarding other fees such as sales compensation, brokerage fees, custodial fees, etc.</p> <p data-bbox="492 1539 1430 1633">In the event of a withdrawal of funds or the termination of an account, any fees, commissions or other expenses associated with rebalancing or liquidating the account's holdings may be assessed to your account.</p>																						
Fee collection:	<p data-bbox="492 1665 1430 1892">For the services described above, we receive our fees by automatic fee deduction via the custodian unless you otherwise request in writing to be invoiced quarterly. Regardless of the method you choose, you will be solely and directly responsible for all fees, including fees other than those related to the services we provide. Upon execution of the Agreement, you will be signing an authorization that will allow the custodian of any of your account(s) to debit the account(s) the amount of our service fee and remit the fee to us. The authorization will remain valid until we receive a written revocation of such authorization from you. In connection with this fee deduction process, the custodian</p>																						

	<p>will send you a statement, at least quarterly, indicating:</p> <ul style="list-style-type: none"> • all amounts disbursed from the account, and • the amount of advisory fees paid directly to us. <p>Specific fee arrangements will be described fully in your Agreement with us.</p>
Fee frequency/timing:	For the service described above, the frequency and timing of our fee collection process occurs quarterly and in advance. Specific fee arrangements will be described fully in your Agreement with us.
Advanced billing and refunds:	<p>As described above, our advisory fees may be charged in advance. Fees paid in advance will be considered earned and non-refundable to you up to the effective termination of your Agreement with us. The termination process is described in the Agreement. Upon receipt of a proper notice of termination, we will calculate a prorated refund of any fees not yet earned by us after the effective termination date of the Agreement. The prorated refund will equal the total number of calendar days remaining in the billing period after the termination date to the end of that billing period divided by the total number of calendar days in that billing period. The result of that calculation will be multiplied by the total fee already paid for that billing period. The result of that calculation will represent the refund owed to you. Refunds shall be paid as soon as reasonably possible but not sooner than ten (10) business days after our receipt of a proper termination notice. In the event of a withdrawal of funds or the termination of an account, any fees, commissions (not charged or earned by Hays Advisory) or other expenses associated with rebalancing or liquidating the account's holdings may be assessed against your account. Specific fee arrangements will be described fully in your Agreement with us.</p>

V. Account Requirements and Types of Clients

Any applicable wrap program account opening or maintenance requirements are addressed above in the "Service fees" subsection of Section IV.(A-D).

We will generally provide our services to the following types of clients.

- Individuals
- High net worth individuals
- Municipal or government entities
- Pension plans / profit sharing plans
- Foundations / charitable organizations
- Trusts for natural persons
- Estates for natural persons
- Other investment advisers
- Banking or thrift institutions
- Broker-dealers

For information on any minimum fees, minimum initial/ongoing account balances, or other conditions we may impose, please refer to our ADV Part 2A Item IV.(B).

VI. Program Manager Selection and Evaluation

VI.(A). Program Manager Review and Oversight – Hays Advisory Wrap Program

This item requires us to describe how we select and review Program Managers, our basis for recommending or selecting Program Managers for particular clients, and our criteria for replacing or recommending the replacement of Program Managers for the entire program and for particular clients.

Program Manager Selection and Review

As Lead Sponsor and sole Program Manager, we do not include other investment advisers as available Program Managers within our Program.

Program Manager Recommendation/Selection

As Lead Sponsor and sole Program Manager, we do not include other investment advisers as available Program Managers within our Program.

Program Manager Replacement – Program Level

As Lead Sponsor and sole Program Manager, we do not include other investment advisers as available Program Managers within our Program.

Program Manager Replacement – Client Level

As Lead Sponsor and sole Program Manager, we do not include other investment advisers as available Program Managers within our Program.

VI.(A).(1). Manager Performance Calculation

When calculating portfolio manager performance, we make every effort to do so in accordance with Global Investment Performance Standards (“GIPS”)¹. The GIPS standards are a set of standardized, industry-wide ethical principles that provide investment firms with guidance on how to calculate and report their investment results to prospective clients.

VI.(A).(2). Review of Manager Performance

We intend to perform at least a quarterly review of the performance of the investment advisers that we have recommended to you and that you have engaged for the provision of specific investment management services. This quarterly review process will involve a review of the investment adviser’s historical performance and any indications of style drift.

VI.(A).(3). Third-Party Performance Review

The accuracy of investment adviser performance information is reviewed by ACA Beacon Verification Services. The following information provides a summary of ACA Beacon Verification Services’ review process.

Beacon examines whether we have complied with all the composite construction requirements of the GIPS® on a firm-wide basis and designed our processes and procedures to calculate and present performance results in compliance with the GIPS® for specific designated periods of time. We are responsible for compliance with the GIPS® and the design of the processes and procedures that present the firm’s performance results in accordance

¹ <http://www.gipsstandards.org/>

with the GIPS®. Beacon's responsibility is to express an opinion on our compliance based on its verification procedures.

The performance information is calculated in accordance with Global Investment Performance Standards ("GIPS"). The GIPS standards are a set of standardized, industry-wide ethical principles that provide investment firms with guidance on how to calculate and report their investment results to prospective clients.

VII. Client Information Provided to Program Managers

In order for you to participate in our wrap program, we will gather certain information from you. We will gather information such as your name and contact information, date of birth, financial objectives, investment experience, other current investment holdings, risk tolerance, etc. We will use this information in order to ensure that we have a sufficient understanding of criteria about you that will be needed in order to determine the most suitable approach for how we manage your assets within the wrap program(s). This information will be available to our supervised persons who are responsible for overseeing or assisting with the direct management of your assets within the wrap program.

Subsequent to the initial data gathering process and as part of our ongoing services, you will be sent a notice annually requesting that you inform us of any changes in your financial condition and investment objectives. Any updated information will be used for the same purpose as described in the preceding paragraph.

VIII. Client Contact with Program Managers

There will be no restrictions with respect to your ability to contact us or the wrap Program Managers that are responsible for directly managing your assets in the wrap program.

IX. Additional Information

This portion of the Wrap Brochure requires us to address certain information already covered in our primary Brochure. In an effort not to duplicate information disclosed elsewhere in our Form ADV and to limit the amount of information you need to review, the table below will identify where in our Form ADV you can find the information required by this Item VI.(C).

Topic/Issue	Location of Information	
	Source Document	Section Reference
Disciplinary Information	Form ADV, Part 2A (our "Brochure")	IX
Other Financial Industry Activities and Affiliations	Form ADV, Part 2A (our "Brochure")	X
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	Form ADV, Part 2A (our "Brochure")	XI
Review of Accounts	Form ADV, Part 2A (our "Brochure")	XIII
Client Referrals and Other Compensation	Form ADV, Part 2A (our "Brochure")	XIV
Financial Information	Form ADV, Part 2A (our "Brochure")	XVIII

X. Requirements for State-Registered Advisers

We are registered with the SEC and therefore, this section is not applicable.