

Item 1 – Cover Page

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d/b/a Strategic Advisors of Illinois
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Date of Brochure: March 2011

This brochure provides information about the qualifications and business practices of AMM Accounting Services, d/b/a Strategic Advisors of Illinois ("Strategic Advisors"). If you have any questions about the contents of this brochure, please contact Alan Morgan at 847-562-1300 or at amorgan@stratadv.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 Strategic Advisors is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for our legal name AMM Accounting Services, Inc., for our business name Strategic Advisors, or for our firm CRD number **113906**.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that Strategic Advisors provides to clients as required by applicable rules and regulations. This Disclosure Brochure dated March 2011 is a new document prepared according to the new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous Form ADV Part II and Schedule F did not require. In the future, this item will discuss only specific material changes that are made to the Disclosure Brochure and provide readers with a summary of such changes. We will also reference the date of the last annual update of the brochure. Our last update to the disclosure brochure was in March 2009.

In the past our firm has offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new rules, we will ensure that you receive a summary of any material changes to this and subsequent Disclosure Brochures within 120 days after our fiscal year ends. Our fiscal year ends on December 31 so you will receive the summary of material changes no later than April 30 each year. At that time we will also offer or provide a copy of the most current Disclosure Brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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Item 4 – Advisory Business

AMM Accounting Services, Inc. d/b/a Strategic Advisors is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) and is a corporation formed under the laws of the State of Illinois.

- Alan Morgan is the President of Strategic Advisors. Elayne Morgan is the Vice President, Secretary, and Treasurer of Strategic Advisors.
- AMM Accounting Services, Inc. d/b/a Strategic Advisors has been registered as an investment advisor since September 1998.

AMM Accounting Services, Inc. conducts investment advisory services under the business name Strategic Advisors of Illinois and additionally under the business name Strategic Investment Advisors, LLC. The associated persons of AMM Accounting Services, Inc. provide advisory services under the names and at the business locations as noted below:

Alan Morgan	d/b/a Strategic Advisors of Illinois
	1707 Shermer Road, Suite 126
Stephen Hull	Northbrook, IL 60062
Melissa Osuch	847-562-1300
Ronald Zweig	d/b/a Strategic Investment Advisors, LLC
James Donenberg	95 Revere Drive, Suite D
	Northbrook, IL 60062
	847-498-9260

General Description of Primary Advisory Services

The following are brief descriptions of Strategic Advisors’ primary advisory services. A more detailed description of Strategic Advisors’ services is provided in *Item 5 – Fees and Compensation* so that clients and prospective clients can review the description of services and description of fees in a side-by-side manner.

Financial Planning Services - Strategic Advisors provides advisory services in the form of financial planning services. Financial planning services do not involve the active management of client accounts, but instead focuses on a client’s overall financial situation. Financial planning can be described as helping individuals determine and set their long-term financial goals, through investments, tax planning, asset allocation, risk management, retirement planning, and other areas. The role of a financial planner is to find ways to help the client understand his/her overall financial situation and help the client set financial objectives.

Asset Management Services – We provide advisory services in the form of asset management services. Asset management services involve providing clients with continuous and on-going supervision over client accounts. This means we will continuously monitor a client’s account and make trades in client accounts when necessary. These services are provided through the Financial Advisors Program and the LifeGuide Program and are fully described in *Item 5 – Fees and Compensation*.

Specialization

Strategic Advisors specializes in providing Pre-Retirement and Post-Retirement Services. In providing Pre-Retirement Services, we will provide advice regarding whether the client's portfolio is likely to provide sufficient cash flow over the client's life expectancy by interviewing the client and using cash flow models. We will recommend or make changes to the client's investments when appropriate. In providing Post Retirement Services, we will attentively monitor retirement assets,,and will recommend or make modifications to the client's portfolio as client circumstances change.

Limits Advice to Certain Types of Investments

Strategic Advisors provides investment advice on the following types of investments:

- No-Load (i.e. no trading fee) and Load-Waived (i.e. trading fee waived) Mutual Fund Shares
- Exchange-listed securities (i.e. stocks)
- Securities traded over-the-counter (i.e. stocks)
- Fixed income securities (i.e. bonds)
- Closed-End Funds and Exchange Traded Funds (ETFs)
- Foreign Issues
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- United States government securities
- Options contracts on securities
- Futures contracts on intangibles
- Interests in partnerships investing in real estate
- Commodity pools
- Real Estate Investment Trusts (REITs)

Strategic Advisors' representatives may recommend the following investment products: Futures Portfolio Fund, Campbell Strategic Allocation Fund, Atel Equipment Leasing, and Icon Equipment Leasing.

Strategic Advisors does not provide advice on options contracts on commodities, futures contracts on tangibles, interests in partnerships investing in oil and gas interests, or hedge funds and other types of private (i.e. non-registered) securities.

When providing asset management services, Strategic Advisors typically constructs each client's account holdings using mutual funds, variable annuities, REITs, equities, and bonds to build diversified portfolios. It is not Strategic Advisors' typical investment strategy to attempt to time the market but we may increase cash holdings modestly as deemed appropriate, based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations. *(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)*

Participation in Wrap Fee Programs

Strategic Advisors offer services through both wrap-fee programs and non-wrap fee programs. A wrap fee program is defined as any advisory program under which a specified fee or fees not based directly upon transactions in a client's account is charged for investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions. Whenever a fee charged to a client for services described in this brochure (whether wrap fee or non-wrap fee), Strategic Advisors will receive all or a portion of the fee charged.

Tailor Advisory Services to Individual Needs of Clients

Strategic Advisors' services are always provided based on the individual needs of each client. This means, for example, that you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with each client on a one-on-one basis through interviews and questionnaires to determine the client's investment objectives and suitability information.

Client Assets Managed by Strategic Advisors

The amount of clients assets managed by Strategic Advisors totaled \$89,891,548 as of December 31, 2010. All of these assets are managed on a discretionary basis and no assets are managed on a non-discretionary basis.

Item 5 – Fees and Compensation

In addition to the information provide in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's advisory services along with descriptions of each service's fees and compensation arrangements.

FINANCIAL PLANNING SERVICES

Strategic Advisors provides financial planning services in the forms of comprehensive and segmented financial planning or consultations. The services described below are provided by all associated persons at all business locations unless otherwise noted.

Strategic Advisors offers financial planning services in the form of written plans to clients. Strategic Advisors may charge a fixed or an hourly fee for financial planning services. The hourly fee charged is up to \$500 per hour. The standard fixed fee generally ranges from \$450 to \$6,000. Fees are negotiable depending on the services to be provided, the time involved and the complexity of your financial situation. The amount of fees to be charged is determined and disclosed to you prior to executing the client agreement. In some instances, due to the complexity of the services to be provided, a retainer fee may be charged prior to beginning services. Any fees due in advance are disclosed to you prior to executing the client agreement.

In some instances, if you wish to implement the advice of Strategic Advisors through the firm's associated persons in their separate capacities as registered representatives and/or independent insurance agents, the associated persons may receive commissions for implementing such transactions. If commissions are earned, the associated persons may waive or reduce the amount of financial planning fees by all or a

portion of the commissions earned. Any reduction to the financial planning fees will be determined and disclosed to you prior to implementation and at the discretion of the associated person based on the financial planning services provided, the time involved and the complexity of your financial situation.

In addition, if you contract for additional on-going services through Strategic Advisors (as described in this document), the associated persons may waive or reduce the financial planning fee as a result of additional fees being received by Strategic Advisors. Any adjustment to the financial planning fee is at the discretion of the associated persons and will be disclosed to you prior to services being provided.

Either party may terminate services at any time by providing written notice to the appropriate parties. Termination will be effective upon receipt of such notice. You have five business days from executing the client agreement to cancel with no penalty. After the initial five business days, any prepaid fees will be refunded on a prorated basis based on the amount of time expended by Strategic Advisors' associated persons. If fees are due upon completion of the services and you cancel prior to services being completed, you will be responsible for payment of fees based on the amount of time expended prior to receipt of notice of termination. The agreement for financial planning services is typically for a one-time plan or consultation service and terminates upon delivery of the services.

Seminars

Advisory representatives of AMM Accounting Services, Inc. may present informational and educational seminars on general financial and investment topics at no charge.

FINANCIAL ADVISORS PROGRAM AND LIFEGUIDE PROGRAM

Strategic Advisors provides investment management services, defined as giving continuous advice to a client based on the individual needs of the client, through Securities America Advisors, Inc.'s (SAA) Financial Advisors Program (FAP) and/or LifeGuide Program (LifeGuide). SAA is a Securities and Exchange Commission (SEC) registered investment advisor. SAA's FAP and/or LifeGuide are wrap-fee programs providing investment advisory services and execution of client transactions for which the specified fee (or fees) is not based directly upon transactions in a client's account. Under FAP and LifeGuide, Strategic Advisors will assist you in the establishment of an FAP or LifeGuide Account (the Account) with SAA. All brokerage transactions in the Account will be processed by Securities America, Inc. (SAI), and then cleared through National Financial Services, LLC (NFS) pursuant to a clearing arrangement established by SAI with NFS. SAA has also entered into agreements with various insurance companies that allow for the management and valuation of client variable annuity accounts within SAA's FAP and/or LifeGuide. The custody of all funds and securities will be maintained by NFS, insurance companies or other custodians. At no time will SAA, SAI, Strategic Advisors or its associated persons act as custodian of the Account or have direct access to your funds and/or securities.

The annual management fees charged for this service will be negotiated with you, with 3% being the maximum management fee that may be charged, unless the Account only has mutual funds and then the maximum will be 2.25%. SAA retains up to 20 basis points (.20%) of the annual management fee for FAP Accounts, and up to 15% of the annual management fee for LifeGuide Accounts.

Securities America Advisors is responsible for collecting all fees paid by our clients through these programs. Securities America Advisors will then journal our portion of the advisory fee to Strategic Advisors.

Please note that our fees may be higher or lower than fees charged by other financial professionals providing similar services.

We may invest a portion of client's assets in mutual funds, exchange traded funds (ETFs), variable annuities, equities, bonds, and REITs and charge an investment management fee on client's assets invested in these securities. Therefore, clients may pay two levels of fees for the management of their assets, one directly to our firm and one indirectly to the managers of the mutual funds, ETFs, variable annuities and REITs held in their portfolios.

A complete description of FAP and related fees and charges are described in SAA's Financial Advisor Program Form ADV Part 2A-Appendix 1 Disclosure Brochure prepared by Securities America Advisors, which will be given to all clients prior to or at the time an FAP Account is established. A complete description of LifeGuide and related fees and charges are described in SAA's LifeGuide Program Form ADV Part 2A-Appendix 1 Disclosure Brochure prepared by Securities America Advisors, which will be given to all clients prior to or at the time a LifeGuide Account is established.

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

Item 6 of the Form ADV Part 2 instructions is not applicable to this Disclosure Brochure because Strategic Advisors does not charge or accept performance-based fees. Performance-based fees are fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

Item 7 – Types of Clients

Strategic Advisors generally provides investment advice to the following types of clients:

- Individuals
- High-Net Worth Individuals
- Pension and profit sharing plans

Minimum Investment Amounts Required

SAA's recommended minimum investment amount for establishing and maintaining an FAP Account is \$25,000 and is \$50,000 for establishing and maintaining a LifeGuide Account. Exceptions may be granted to this minimum upon request.

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

Methods of Analysis

Strategic Advisors uses the following method(s) of analysis in formulating investment advice:

Fundamental. This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of companies). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the

security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Investment Strategies

Strategic Advisors uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from Strategic Advisors.

Option writing including covered options, uncovered options, or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

Use of Primary Method of Analysis or Strategy

Strategic Advisors primarily uses fundamental analysis. Some of the risks involved with using fundamental analysis include market risk, company risks, and fixed income risks. These risks are described below.

Strategic Advisors' primary strategy involves frequent trading of securities. The frequent trading of securities may have a positive or negative impact on investment performance. Performance from active trading can be lowered due to an increase in transaction costs.

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated when investing in securities through our investment management program.

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 – Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Strategic Advisors is **not** and does **not** have a related company that is a (1) broker/dealer, municipal securities dealer, government securities dealer or broker, (2) investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust,

private investment company or “hedge fund,” and offshore fund), (3) other investment adviser or financial planner, (4) futures commission merchant, commodity pool operator, or commodity trading advisor, (5) banking or thrift institution, (6) lawyer or law firm, (7) insurance company or agency, (8) pension consultant, (9) real estate broker or dealer, or (10) sponsor or syndicator of limited partnerships.

Other Business Activities

Strategic Advisors’ associated persons are engaged in professions other than giving investment advice.

Relationship with Securities America, Inc.

If the client wants to, the client can engage the investment advisor representatives of Strategic Advisors (but not the firm Strategic Advisors) in their separate capacities as registered representatives of Securities America, to render securities brokerage services under a commission arrangement.

You are never obligated to use open an account with Securities America, Inc.(SAI) and can use any broker/dealer you like. However, if you would like to open an account with one of our advisor representatives, SAI is the required broker/dealer.

Brokerage commissions may be charged by SAI to effect these securities transactions and, thereafter, a portion of these commissions will be paid by SAI to such investment advisor representatives as registered representatives of Securities America. Prior to effecting any transactions, you will be required to enter into a new account agreement with SAI. The brokerage commissions charged by SAI may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that the client maintains the mutual fund investment. Please also refer to *Item 5 – Fees and Compensation: Compensation for Sale of Securities or Other Compensation* for more information.

Depending on the type of SAI account that could be used to implement a financial plan or investment strategy, such compensation may include (but is not limited to) advisory program fees; commissions; mark-ups and mark-downs; transaction charges; confirmation charges; small account fees; mutual fund 12b-1 fees; mutual fund sub-transfer agency fees; hedge fund managed futures, and variable annuity investor servicing fees; retirement plan fees; administrative services fees for trust accounts; compensation for directing order flow; and bonuses, awards or other things of value offered by SAI to the advisor representative.

This compensation to the advisor representative and SAI may be more or less depending on the product or service the advisor representative recommends. Therefore, the advisor representative may have a financial incentive to recommend that a financial plan be implemented using certain products or services.

The investment advisor representatives of Strategic Advisors may recommend securities or insurance products offered by SAI (or through insurance firms), and will receive the normal commissions if products are purchased through them; thus a conflict of interest exists between the interests of the investment advisor representatives and those of Strategic Advisors’ clients. Clients are under no obligation to purchase products recommended by investment advisor representatives or to purchase products either through Strategic Advisors or Securities America.

Insurance Sales

Alan Morgan, Elayne Morgan, James Donenberg, Stephen Hull, Ronald Zweig and Melissa Osuch are independently licensed to sell insurance products through various insurance companies. When acting in this capacity, they will receive commissions for selling these products. Approximately 70% of Alan Morgan's workweek is spent on securities and insurance activities, while Elayne Morgan spends approximately 50% of her time on securities and insurance activities.

Accounting & Tax Services

In addition, Alan Morgan provides accounting services and tax planning and preparation services through AMM Accounting Services, Inc. Alan Morgan is also a 40% owner of MM&R. MM&R provides tax preparation services. Alan Morgan refers accounting and tax clients with more complicated tax returns to MM&R for tax preparation services. For individuals referred to MM&R, Alan Morgan may collect the client's data that is necessary to prepare the tax returns and forward that data to MM&R. Approximately 5% of Alan Morgan's workweek is spent on accounting activities. In some instances, clients requiring investment advisory services through AMM Accounting Services, Inc. may also be accounting or tax services clients of AMM Accounting Services, Inc. and/or MM&R.

Stephen Hull performs accounting and tax services through H & R Block. James Donenberg and Ronald Zweig are owners of and accountants with Rosenfeld, Zweig Donenberg, Ltd. and provide accounting and tax planning services through this entity. Clients are not under any obligation to use the accounting or tax services as a result of their investment advisory relationship.

During tax season, Stephen Hull spends up to 50% of his time working with tax clients through H&R Block. Over the normal course of the year, 10% of his time is spent on tax related business with the remaining amount of time split evenly between securities and investment advisory business. Stephen Hall spends a small amount of his time selling dog houses. He also spends a minimal amount of time conducting musical performances.

Ronald Zweig is an owner of and an accountant with Rosenfeld, Zweig & Donenberg, Ltd. He currently spends approximately 50% of his workweek on accounting activities and 50% on securities and insurance matters.

James Donenberg is an owner of and an accountant with Rosenfeld, Zweig & Donenberg, Ltd. and approximately 80% of his workweek is spent on accounting activities. He currently spends approximately 18% of his time on securities matters and 2% of his time on insurance matters.

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

Code of Ethics Summary

According to the *Investment Advisers Act of 1940*, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each

client. Strategic Advisors and its associated persons have a fiduciary duty to all clients. Strategic Advisors has established a Code of Ethics, which all associated persons are required to read and acknowledge. The acknowledgment statement includes an affirmation that the associated person understands and agrees to comply with the firm's Code of Ethics. Strategic Advisors and our associated persons' fiduciary duty to clients is considered the core underlying principle for our Code of Ethics and represents the expected basis for all associated persons' dealings with clients. Strategic Advisors has the responsibility to make sure that the interests of clients are placed ahead of its or its associated persons' own investment interests. All associated persons will conduct business in an honest, ethical and fair manner. All associated persons will comply with all federal and state securities laws at all times. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to services being conducted. All associated persons have a responsibility to avoid circumstances that might negatively affect or appear to affect the associated persons' duty of complete loyalty to their clients. This section is only intended to provide current clients and potential clients with a description of Strategic Advisors' Code of Ethics. If current clients or potential clients wish to review the firm's Code of Ethics in its entirety, a copy may be requested from any of our associated persons. A copy will be provided promptly.

Affiliate and Employee Personal Securities Transactions Disclosure

Strategic Advisors or its associated persons may buy or sell securities or have an interest or position in a security in their personal account which is the same as the securities they also recommend to clients. Strategic Advisors is and shall continue to be in compliance with *The Insider Trading and Securities Fraud Enforcement Act of 1988*. As these situations may represent a potential conflict of interest, it is a policy of Strategic Advisors that no associated persons shall prefer his or her own interest to that of the advisory client. No person employed by Strategic Advisors may purchase or sell any security prior to a transaction or transactions being implemented for an advisory account. Strategic Advisors shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with Strategic Advisors unless the information is also available to the investing public upon reasonable inquiry. Strategic Advisors maintains a list of all securities holdings for itself and all associated persons, which is reviewed on a regular basis by a principal of Strategic Advisors. This log is available for client review upon request.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Strategic Advisors. If Strategic Advisors assists in the implementation of any recommendations, we are responsible to ensure that the client receives the best execution possible.

Strategic Advisors' associated persons are registered representatives of SAI, a full service broker/dealer, member of the Financial Industry Regulatory Authority (FINRA) and the Securities Investor Protection Corporation (SIPC). When placing securities transactions through SAI in their capacity as registered representatives, the associated persons may earn sales commissions.

Clients wishing to implement the advice from Strategic Advisors' associated persons are free to select any broker they wish and are so informed. If the clients wish to have Strategic Advisors' associated persons implement the advice in their capacity as registered representatives, the broker/dealer SAI with which they are affiliated as registered representatives, will be used. SAI has a wide range of approved securities products on which SAI performs due diligence. The registered representatives are required to adhere to these products when implementing securities transactions through SAI. Commissions charged

for these products may be higher or lower than commissions clients may be able to obtain if transactions were implemented through another broker/dealer.

Strategic Advisors' associated persons sell securities and insurance products, in their separate capacities as registered representatives and independent insurance agents, for sales commissions. Some of the advice offered by Strategic Advisors' associated persons involves investments in mutual fund products. Load and no-load mutual funds may pay annual distribution charges sometimes referred to as 12(b)-1 fees. Strategic Advisors' associated persons may receive a portion of these 12(b)-1 fees from some investment companies in their separate capacities as registered representatives. Clients should be aware that these 12(b)-1 fees come from fund assets, and thus, indirectly from client's assets. The receipt of these fees could represent an incentive for registered representatives to recommend funds with 12(b)-1 fees or higher 12(b)-1 fees over funds with no fees or lower fees, therefore creating a potential conflict of interest.

Strategic Advisors from time to time may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

Handling Trade Errors.

Strategic Advisors has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Strategic Advisors to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by Strategic Advisors if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for handling the trade error. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. Strategic Advisors may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

Strategic Advisors will never benefit or profit from trade errors.

Block Trading Policy

Transactions implemented by Strategic Advisors for client accounts are generally effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when Strategic Advisors believes such action may prove advantageous to clients. When Strategic Advisors aggregates client orders, the allocation of securities among client accounts will be done on a fair

and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among our firm's clients in proportion to the purchase and sale orders placed for each client account on any given day. When Strategic Advisors determines to aggregate client orders for the purchase or sale of securities, including securities in which Strategic Advisors may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* It should be noted, Strategic Advisors does not receive any additional compensation or remuneration as a result of aggregation.

Item 13 – Review of Accounts

Account Reviews and Reviewers

For clients requesting financial planning services only, no on-going reviews are performed since services terminate upon presentation of the financial plan or consultation. Strategic Advisors recommends that clients have their financial situation reviewed at least annually. Clients may be required to execute a new contract and additional fees may be charged for additional reviews.

If clients choose to have on-going services provided through FAP and/or LifeGuide, Strategic Advisors will review the account at least quarterly with the calendar being the triggering factor, unless changes in market conditions or the clients' financial situation trigger a more frequent review.

The investment advisor representatives will be responsible for reviewing their own client accounts.

Statements and Reports

Clients receive statements and/or confirmations from the investment company, broker/dealer, or custodian at which their account is maintained. In addition, Strategic Advisors will provide performance reports periodically for all clients requiring on-going services.

Clients participating in FAP and/or LifeGuide will receive a performance report from Strategic Advisors at least annually.

Item 14 – Client Referrals and Other Compensation

Strategic Advisors does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in Item 5 of this Disclosure Brochure. Strategic Advisors receives no other forms of compensation in connection with providing investment advice.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

Strategic Advisors is deemed to have custody of client funds and securities whenever Strategic Advisors is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Strategic Advisors will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Strategic Advisors is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Strategic Advisors. When clients have questions about their account statements, they should contact Strategic Advisors or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

Through its asset management services and upon receiving written authorization from a client, Strategic Advisors will maintain trading authorization over client accounts. Upon receiving written authorization from the client, Strategic Advisors may implement trades on a **discretionary** basis. When discretionary authority is granted, Strategic Advisors will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client's portfolio without obtaining the client's consent for each transaction. However, it is the policy of Strategic Advisors to consult with the client prior to making significant changes in the account even when discretionary trading authority is granted by the client.

Item 17 – Voting Client Securities

Strategic Advisors and its associated persons will not perform proxy-voting services on your behalf. You will be solely responsible for all proxy voting decisions. You are instructed to read through the information provided with the proxy voting document and to make a determination based on the information provided. In some instances, upon request, the firm's associated persons may give limited clarifications based on their understanding of issues presented in the proxy voting materials.

Item 18 – Financial Information

This Item 18 is not applicable to this Disclosure Brochure. Strategic Advisors does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Strategic Advisors has not been the subject of a bankruptcy petition at any time.

Item 19 -- CUSTOMER PRIVACY POLICY NOTICE

Strategic Advisors is committed to safeguarding the confidential information of its clients. Strategic Advisors holds all personal information provided to it in the strictest confidence. Strategic Advisors'

associated persons may also be registered representatives of SAI, a registered broker/dealer that is not affiliated with Strategic Advisors. Strategic Advisors may also have relationships with other nonaffiliated investment advisor firms, such as SAA, an affiliate of SAI, insurance companies, trust companies, custodians and other financial institution entities. Except as required or permitted by law, Strategic Advisors does not share confidential information about the client with nonaffiliated third parties. In the unlikely event there were to be a change in this fundamental policy that would permit additional disclosures of the client's confidential information, Strategic Advisors will provide written notice to the client, and the client will be given an opportunity to direct Strategic Advisors as to whether such disclosure is permissible.

AN IMPORTANT NOTICE CONCERNING OUR CUSTOMERS' PRIVACY.

CUSTOMER INFORMATION COLLECTED. Strategic Advisors collects and develops personal information about the client, and some of that information is nonpublic personal information (Customer Information). The essential purpose for collecting Customer Information is to provide and service the financial products and services the client obtains from Strategic Advisors. The categories of Customer Information collected by Strategic Advisors depend upon the scope of the engagement with Strategic Advisors and are generally described below. As an investment advisor, Strategic Advisors collects and develops Customer Information about the client in order to provide investment advisory services. Customer Information collected includes:

- Information Strategic Advisors receives from the client on financial inventories through consultation with Strategic Advisors' associated persons. This Customer Information may include personal and household information, such as income, spending habits, investment objectives, financial goals, statements of account and other records concerning the client's financial condition and assets, together with information concerning employee benefits and retirement plan interests, wills, trusts, mortgages and tax returns.
- Information developed as part of financial plans, analyses or investment advisory services.
- Information concerning investment advisory account transactions, such as wrap account transactions.
- Information about the client's financial products and services transactions with Strategic Advisors.

DATA SECURITY. Strategic Advisors restricts access to Customer Information to those associated persons and employees who need the information to perform their job responsibilities within the firm. Strategic Advisors maintains agreements, as well as physical, electronic and procedural securities measures that comply with federal regulations to safeguard Customer Information about the client.

USE AND DISCLOSURE OF CUSTOMER INFORMATION TO PROVIDE CUSTOMER SERVICE FOR CLIENT ACCOUNTS. To administer, manage and service customer accounts, process transactions and provide related services for the client's account(s), it is necessary for Strategic Advisors to provide access to Customer Information within the firm and to nonaffiliated companies such as SAI, SAA, other investment advisors, other broker/dealers, trust companies, custodians and insurance companies. Strategic Advisors may also provide Customer Information outside of the firm as permitted by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas.

FORMER CLIENTS. If the client closes an account with Strategic Advisors, Strategic Advisors will continue to operate in accordance with the principles stated in the Notice.

REQUIREMENTS OF FEDERAL LAW. In November of 1999, Congress enacted the *Gramm-Leach-Bliley Act* (GLBA). The GLBA requires certain financial institutions, including broker/dealers and investment advisors, to protect the privacy of Customer Information. To the extent a financial institution

discloses Customer Information to nonaffiliated third parties other than as permitted or required by law, customers must be given the opportunity and means to opt out (or prevent) such disclosure. Please note that Strategic Advisors does not disclose Customer Information to nonaffiliated third parties except as permitted or required by law (e. g., disclosures to service the client's account(s) or to respond to subpoenas).