

Scott Rappoport CLU, ChFC Inc., dba Benefit Sources & Solutions

1952 U.S. Highway 22, Bound Brook NJ 08805

Tel. 732-560-1010

<http://www.benefitsource.com>

3/23/2012

FORM ADV, PART 2A FIRM BROCHURE

This brochure provides information about the qualifications and business practices of Benefit Sources & Solutions. If you have any questions about the contents of this brochure, please contact Howard Stolzer at hstolzer@benefitsource.com or by telephone at 732-560-1010. 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 Benefit Sources & Solutions is also available on the SEC's website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Benefit Sources & Solutions is 118158.

Benefit Sources & Solutions is a registered investment adviser with the State of New Jersey. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

MATERIAL CHANGES

The following is a discussion of the material changes made to Benefit Sources & Solutions disclosure brochure since it was last updated on March 29, 2011. In this version of our brochure, we made amendments to clearly disclose that Benefit Sources & Solutions does not provide individually tailored investment advice to the participants of its pension plan clients unless they have a separate advisory agreement with us. We also added disclosures regarding other costs that clients may pay in connection with the advisory services that Benefit Sources & Solutions provides. Amendments were also made to disclose conflicts of interest that may arise when we sell commission-based insurance products to clients and to disclose the risks that exist when we use models in order to implement or assist us in the implementation of our investment strategy. Additionally, we added disclosures regarding the disadvantages that clients may face when they do not participate in block/aggregated transactions with other clients and we updated the brochure to disclose the conflicts of interest that may arise when Benefit Sources & Solutions or its related persons trade in the same securities as clients. Finally, we added disclosure regarding the existence of a new referral arrangement. Please be aware that our summary in this section only discusses material changes since our last brochure filing with the SEC dated March 29, 2011. Other amendments were made to this brochure, which are not discussed in our summary, and consequently, we encourage you to read this brochure in its entirety.

Table of Contents

<i>Advisory Business.....</i>	<i>1</i>
<i>Fees and Compensation.....</i>	<i>2</i>
<i>Performance-Based Fees and Side-By-Side Management.....</i>	<i>3</i>
<i>Types of Clients.....</i>	<i>4</i>
<i>Methods of Analysis, Investment Strategies and Risk of Loss.....</i>	<i>4</i>
<i>Disciplinary Information</i>	<i>5</i>
<i>Other Financial Industry Activities and Affiliations.....</i>	<i>5</i>
<i>Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</i>	<i>6</i>
<i>Brokerage Practices.....</i>	<i>6</i>
<i>Review of Accounts.....</i>	<i>8</i>
<i>Client Referrals and Other Compensation.....</i>	<i>8</i>
<i>Custody.....</i>	<i>9</i>
<i>Investment Discretion</i>	<i>9</i>
<i>Voting Client Securities</i>	<i>9</i>
<i>Financial Information.....</i>	<i>10</i>

Advisory Business

Form ADV Part 2A, Item 4

Scott Rappoport CLU, ChFC, Inc. dba Benefit Sources & Solutions became a registered Investment Advisor in 1997. The firm is a New Jersey registered Sub S corporation whose principal owner is Scott Rappoport.

Our services are directed towards retirement plans and individuals seeking asset management only services. We do not regularly engage in Financial Planning. We provide asset selection and allocation services to retirement plans, which includes; employee directed defined contribution 401(k) and/or 403(b) plans, defined benefit and similar retirement plans. We also manage a number of custom target date portfolios which are offered to plan participants through their retirement plans. Target Date portfolios are allocated using quantitative approaches such as mean variance testing and modern portfolio theory concepts. We may also provide pension related investment services, asset allocation or other investment services to other advisors.

Clients may direct us to invest or not invest in certain securities by means of an Investment Policy Statement (IPS). Our clients may also direct us to hold, purchase or sell a specific security at their choosing. Because a large portion of our assets are held within participant retirement plans, the bulk of our holdings are invested in mutual funds, separate accounts or collective trusts. Unless a plan participant is also an individual client of our firm, we do not provide advice tailored to the individual needs of the plan participants of our retirement plan clients.

Within our discretionary accounts, we invest in Mutual Funds, Exchange Traded Funds, Equity securities, Individual Taxable and Non-Taxable Bonds, U.S. Government securities, Royalty Trusts, Options and similar securities. We may also invest in other Investment Company securities such as variable life insurance and variable annuities. All clients may not be eligible for all types of securities. For example, a client account may not be approved or of appropriate size for option trading. This is a restriction that may be imposed by the client's Investment Policy Statement and/or the account custodian. Depending on the account, client accounts may or may not be traded on margin. Margin trading involves a certain degree of risk that may not be suitable for all investors or account types. If you have an account with option and/or margin trading, we encourage you to discuss this risk with us.

Our assets under management consist of discretionary and non-discretionary assets. We classify participant directed retirement plan assets as non-discretionary, however, a portion of the assets held with our participant driven accounts are invested in Target Date portfolios in which we have discretionary control over allocation. We do not actively monitor the participants that are invested within those portfolios nor do we provided individualized investment advice to those participants.

Assets Under Management as of January 31, 2012

Discretionary	\$23,557,931
Non-Discretionary	\$69,224,049
Total	\$92,781,980

Fees and Compensation

Form ADV Part 2A, Item 5

Fees for non-retirement plan clients are charged as a percentage of assets under management. Retirement plan clients may be charged based on the percentage of assets under management, or in certain cases may be billed on a flat fee basis for advisory and/or other plan related services.

Basic fee structure:

Assets up to \$1 million	1.25%
Next \$4 million	1.00%
Assets above \$5 Million	Negotiable

Unless we mutually agree to bill on a different basis, fees are charged on a quarterly basis. The amount of fees is determined by the Investment Advisory Agreement and is negotiable. Depending on our agreement, we may combine certain accounts for billing and breakpoint purposes. You may also specify one or more of your accounts to use for billing purposes.

Fees are deducted by us from discretionary accounts.

Participant directed retirement plan accounts may have fees deducted by us, or by a Third Party Administrator. Alternatively, plans may elect to pay advisory fees from plan sponsor assets or from a side account established by the Third Party Administrator.

Fees and expenses paid by clients will vary. Individual clients will pay expenses relating to their Investment Company (mutual fund) securities that are embedded within each mutual fund's net asset value, which generally include investment advisory or management fees, separate from our own, paid to the mutual fund's investment adviser. In addition client accounts are subject to brokerage commissions, loads, transaction fees and other charges of their account custodian and of any alternative broker-dealer used to purchase and/or clear securities for the client. Clients may also be subject to other fees and expenses, such as prime broker charges, interest on margin accounts, borrowing charges on securities sold short, wire transfer and electronic fund transfer fees, fees and taxes on brokerage accounts and securities transactions, and other charges related to account and asset management. Benefit Sources & Solutions does not receive compensation from brokerage or transaction charges.

In addition, corporate retirement plans may be subject to other expenses related to the administration and custody of their accounts. Those expenses may include Third Party Administrator fees, custodial fees, trustee fees, audit and legal expenses. Corporate retirement plans may also incur additional expenses related to the preparation of participant materials and other services considered to be beneficial to the plan participant.

We generally bill our clients quarterly in advance. Fees are calculated on a pro-rated basis over each quarter and may be subject to minimums. If a client transfers assets into their account during the middle of a quarter, we may charge a pro-rated fee. If a client terminates our services prior to the end of the quarter, they will receive a refund of unearned fees on a pro-rated basis. We do not pro-rate minimum quarterly fees.

As an example: a client terminates our services as of the 60th day of a 90 day quarter and total fees billed for the quarter were \$1,000. Our formula for a refund is $\$1,000 / 90 = \11.11 per day. We would then charge for 60 days at \$11.11, for a total of \$666.67. The same would apply for accounts that hire us during an ongoing quarter. Or in other words, if a client hired us with 60 days remaining, we would calculate the fees based on the dates of asset transfers into the accounts. When a client transfers assets from another advisor or account, it is possible that we may not receive all client assets within one transfer. When that happens, we will bill based on the amount received and the number of days remaining in the quarterly billing cycle. As an example, if a client with a \$1 Million account transferred assets to us, we might receive \$600,000 on the 30th day of the quarter, they would be billed for management of \$600,000 for 60 days, if we then received \$400,000 fifteen days later, the account would be billed \$400,000 for 45 days.

We do not receive compensation for the sale of securities or other investment products including asset-based sales charges or service fees from the sale of mutual funds. We do not recommend products based on compensation or incentives from other parties. We primarily recommend no-load mutual funds. We evaluate the share classes we purchase based on the lowest cost shares for the amount of time we anticipate we will be holding a fund. We are fee-based advisors and do not receive commissions for the sale of securities.

However, we are also engaged in the insurance brokerage business as a licensed agents or producers in various states, primarily in corporate group benefits. In that capacity, we broker insurance and provide related services. We may occasionally sell individual life insurance or annuity products from which we may receive a commission. The receipt of these commissions may present a conflict of interest in that it creates an incentive for us to recommend products based on the receipt of commissions rather than the needs of the client. If we were to sell a commission based product, we would not also charge an asset-based fee unless it is disclosed in writing and agreed to by you the client.

Clients have the option to purchase investment services and products through other advisors, brokers or agents that we are not affiliated with. We may also recommend a custodian for client accounts. Clients may choose their own custodian.

Although we typically do not receive commissions from the sale of investment products, many of our client retirement plans, however, receive distribution fees from the use of certain mutual funds. We do not directly receive distribution fees from mutual funds, but a portion of those distribution fees may be kept by the plan custodian for custodial and distribution expenses and/or placed in an account by a plan sponsor or Third Party Administrator to pay for plan expenses, which may include the fees that we charge a plan for our services. We do not maintain control of the disbursement of funds from any such accounts. It is the responsibility of the Trustee, custodian and/or Third Party Administrator to ensure the proper use, reporting and accounting of those funds.

Performance-Based Fees and Side-By-Side Management

Form ADV Part 2A, Item 6

We do not charge performance based fees.

Types of Clients

Form ADV Part 2A, Item 7

We provide investment advice to individuals, trusts, charitable accounts and pension plans.

For individuals, we seek a minimum account size of \$100,000. However we may accept a client with less if that client does business with us in other areas or is a family or household member of an existing client that meets our minimums. We may also impose a minimum quarterly fee at our discretion.

Due to the nature of retirement plans, we do not impose a minimum account balance. We, however, may impose a minimum fee because it is our belief that we make a significant commitment when we provide the necessary services to certain retirement plan accounts, and that commitment is not always correlated to the size of the retirement plan. The minimum fee, should one apply, is disclosed in our Investment Advisory Agreement.

Methods of Analysis, Investment Strategies and Risk of Loss

Form ADV Part 2A, Item 8

We use a global investment framework and top down analysis to drive security selection. We use a quantitative comparison based on a model called the Black-Litterman model to help formulate our investment expectations. Using that and our view of the economy (this is called top-down analysis) we determine the asset classes and market sectors we wish to include within our portfolios. We select specific assets based on a combination of qualitative and quantitative measurements. For example, when selecting a mutual fund; we would look at the experience and tenure of the fund manager and the governance of the Investment Company (the fund family). We also evaluate the fund's percentile ranking among its peers using Morningstar and Modern Portfolio Statistics as part of our initial screening process. Before we can add an investment to our portfolios we also compare its contribution to the portfolio's risk and return, because if possible we wish to lower portfolio risk while increasing return through diversification. We do this by using measurements such as the correlation of the investment to others within the portfolio and by selection of multiple asset classes. Depending on asset class we would also look at other factors. For instance with a Stable Value fund we would consider the book value of the underlying investments and the health of the wrap insurance carrier. With certain classes of mutual funds we might consider additional statistics to help us understand the distribution of risk and return such as kurtosis or drawdown periods.

We use tools such as Morningstar and Zephyr Styleadvisor to evaluate the risk reward and tradeoff within our asset allocation. These software tools allow us to place the portfolio assets on what is called the efficient frontier. We then adjust our expectations and the time horizon of each portfolio to determine a final allocation, by a process known as Monte-Carlo simulation. This is a commonly used forecasting method. The use of any model is subject to certain risks, including but not limited to, programming, implementation, and calibration errors. Additionally, the value of any model is dependent on the quality of the underlying data, which in our case is historical information, which may not be indicative of the future. It should also be noted that our methods often work better over longer periods of time. We believe our method of analysis and investment strategy provides us with reasonable long-term core allocations, but it may not be suitable when a time horizon is uncertain or

significantly changes. We may at times make minor discretionary adjustments to client allocations.

We also include assets in some portfolios that due to database limitations we cannot track. We may use a similar investment as a tracking substitute. For instance, we may use a different stable value fund when we do not have data for a fund. This substitution is made using a similar asset class and our judgment as to the risk and return of the substitute. We may also use the Target Return of each portfolio, adjusted for its time horizon, as the basis for investments we cannot simulate. For instance if we were looking to add an equity holding to a plan, we would evaluate the risk adjusted return of the asset to evaluate its impact on our portfolio forecasts.

We want to make sure that you understand that investing involves risk. While we use many tools to try and reduce those risks the risk of loss always exists. Investing generally works best when we understand your risk tolerance and when you communicate any changes to your needs and expectations promptly to us.

For the majority of our accounts we consider ourselves long-term investors. We do not make a practice of frequent trading. We may hold an investment through a period of unfavorable overall market conditions. This may not suit your immediate needs and it may be costly to sell an investment at a time that differs from our forecasts.

We primarily recommend mutual fund investments. We consider the materials risks of investing in mutual funds to be more market based. However, it is possible that a mutual fund may be concentrated or heavily invested in a particular sector, which may cause it to suffer dramatic losses.

Disciplinary Information

Form ADV Part 2A, Item 9

Neither we nor any of our related persons have been the subject of any legal or disciplinary event that would be material to your evaluation of our advisory business and services or the integrity of our management.

Other Financial Industry Activities and Affiliations

Form ADV Part 2A, Item 10

Benefit Sources & Solutions and its management persons are not registered and do not have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer. Furthermore, neither we nor any of our management persons are registered or have any application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor. Additionally, neither we nor any of our management persons have any relationship or arrangement that is material to our advisory business with a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company or other pooled investment vehicle, futures commission merchant, commodity pool operator, commodity trading adviser, banking or thrift

institution, accountant or accounting firm, lawyer or law firm, pension consultant, real estate broker or dealer, or sponsor or syndicator of limited partnerships. Benefit Sources & Solutions and/or its management persons are licensed insurance agents or producers in various states and are authorized by several insurance companies to sell their products.

We do not routinely recommend other investment advisors to our clients. However, because we may not be capable of providing all necessary services to our clients we may at times refer a client to another advisor to perform those services we cannot provide. In the event we did refer a client to another advisor it would not be material to our business. In this rare instance, we will disclose any direct compensation we may receive. It is more likely that we would receive indirect compensation such as a future referral. Because we cannot determine the value of such a relationship we will disclose that the relationship exists, but cannot disclose its value.

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

Form ADV Part 2A, Item 11

We maintain a code of ethics. We ask that all employees of Benefit Sources & Solutions update and sign our code of ethics on an annual basis. Our code of ethics explains to our employees their responsibility regarding client confidentiality, use of client information, financial privacy and personal trading policies. As our client or prospective client you are entitled to a copy and we will provide a copy upon request.

As a small firm it would be hard for us to engage in market manipulation. We do monitor personal trading as is outlined in our firm code of ethics. We may occasionally trade the same security, or related security, for a personal account in addition to our client accounts at or about the same time. This may create potential conflicts of interest because (1) we may have an incentive not to recommend the sale of those securities to clients in order to protect the value of a personal investment, and (2) we may have an incentive to place personal investment orders before those of clients in order to obtain a better price. Because our personal transactions are small, we are more concerned about patterns of behavior and the use of client and material non-public information. When trading, we believe we should place our clients' interests first. When feasible, we try to aggregate trades (client and personal) of a specific security, which is known as "block trading". This provides an average price which we then allocate to all traded accounts.

Brokerage Practices

Form ADV Part 2A, Item 12

We recommend that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as their qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when [we/you] instruct them to. While we recommend that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. You may also choose to place your assets with another custodian. We also manage accounts at Fidelity although we consider Fidelity a secondary custodian. Our assets at

Fidelity are solely those held within retirement plans. We believe it is important for our retirement plan sponsors to have a choice of custodial arrangements to meet their obligations under ERISA. Generally, for accounts held in custody at Schwab, all transactions will be executed through Schwab. However, we may still use other brokers to execute trades for your account.

We do not have any formal soft dollar arrangements. However, Schwab and or Fidelity make available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both proprietary and that of third parties. We may use this research to service all or a substantial number of our clients' accounts, including accounts held in custody at another broker-dealer. In addition to investment research, Schwab also makes available software and other technology that:

- Provide access to client account data (such as duplicate trade confirmations and account statements),
- Facilitate trade execution and allocate aggregated trade orders for multiple client accounts,
- Provide pricing and other market data,
- Facilitate payment of our fees from our clients' accounts, and
- Assist with back-office functions, recordkeeping, and client reporting.

Schwab and Fidelity also offers other services intended to help us manage and further develop our business enterprise that generally benefits only us. These services include:

- Educational conferences and events,
- Consulting on technology, compliance, legal, and business needs,
- Publications and conferences on practice management and business succession, and
- Access to employee benefits providers, human capital consultants, and insurance providers.

The availability of these services from Schwab and Fidelity benefits us because we do not have to produce or purchase them. Schwab provides these benefits to us so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. These services are not contingent upon us committing any specific amount of business to Schwab in the form of brokerage commissions, loads, or transaction fees. The \$10 million minimum may give us an incentive to recommend that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and/or the most favorable execution of your transactions. This is a potential conflict of interest. We are not subject to a minimum level of assets at Fidelity, and any benefits we may receive from Fidelity are not contingent on committing any specific amount of business with Fidelity. We primarily use Schwab as our custodian. We believe that our selection of Schwab as the primary option for custodian and broker is in the best interests of our clients. Our belief is based on the scope, quality, and price of Schwab's services independent of any benefits we receive from Schwab.

We do not direct brokerage for the purpose of receiving soft dollar benefits or client referrals. It is possible though that we may receive a referral from a custodian. If we were to receive a referral from Schwab, we would not pay Schwab for that referral. Such referral, however, may create a conflict of interest as it creates an incentive for us to continue recommending to our clients that they open and

maintain their accounts with Schwab in return for future referrals. However, we do not have a formal arrangement with Schwab regarding referrals, and we would consider any referral to have minimum impact on our business. We also will not direct brokerage under client direction.

We may or may not aggregate the purchase or sale of securities for various client accounts. The majority of our assets are held within mutual funds. As mutual funds have end of day pricing, it is not necessary to aggregate trades for those accounts. However at times we may conduct a fund replacement or purchase by linking mutual fund trades together. There is no advantage to the client in either arrangement.

When we do trade in other assets, such as stocks or options, we may at times aggregate trades. This, however, constitutes a very small portion of our accounts, and we generally make aggregation decisions on an individual account basis based on the needs of each account and/or client. Since the needs of each client differ, we may purchase the same securities on different days, as market conditions change. For instance, if the market price of a security increases, we may feel that its risk adjusted return may suit the needs of one client, but not of another. This determination is based on an individual consideration of each client's desire for value or growth, and may be influenced by other factors such as dividend yield and/or an option strategy. Accounts that do not participate in aggregate trades will not get the potential benefit of any average price and may receive a lower quality execution.

Review of Accounts

Client accounts are reviewed by Scott Rappoport, CEO, and/or Howard Stolzer, CIO, on a quarterly basis. In addition to quarterly reviews, we try to regularly meet with our retirement plan committees. This is an ongoing process that occurs throughout each quarter and varies with client availability.

We provide quarterly reports that are generated from our portfolio tracking software, Portfoliocenter. Retirement plans also receive regular reports that include information from Morningstar Principia.

When we provide services to ERISA retirement plans the arrangement usually is one in which we become a co-fiduciary to the plan. In that arrangement, we typically will hold a combination of conference calls and meetings with the plan sponsor. We also send monthly updates on the plan investments to the plan sponsor. That information may be distributed to the participants at the discretion of the plan sponsor.

Client Referrals and Other Compensation

Form ADV Part 2A, Item 14

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients. Benefit Sources & Solutions has one referral arrangement to which the individual will receive a portion of any fees paid to Benefit Sources & Solutions by referred clients.

The portion to be paid to the individual will vary based on their production volume and the type of product or service sold.

Custody

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct Schwab, Fidelity or any custodian you may use, to deduct our advisory fees directly from your account. Your custodian maintains actual custody of your assets. You will receive account statements directly from your custodian at least quarterly. They will be sent to the email or postal mailing address you provided to your custodian. You should carefully review those statements promptly when you receive them. We also urge you to compare those custodial account statements to the periodic portfolio reports you will receive from us.

It is important that you ensure your account contact information remains current with your custodian.

Investment Discretion

Form ADV Part 2A, Item 16

We accept discretionary authority to manage some of our client accounts. When a client grants that authority, the client signs a Limited Power of Attorney (LPOA). It should be noted that the LPOA may be a part of the account application. Typically the LPOA grants us authority to take discretion and to collect fees directly from your account. You may grant us any combination of those authorities at your discretion. Clients may direct us to invest or not invest in certain securities by means of an Investment Policy Statement (IPS).

For our retirement plan accounts, as a registered Investment Adviser, we accept our Fiduciary Duty to the plan's we advise. We do not have discretionary authority to trade individual accounts. However, we offer Target Date portfolios to many of our participant directed retirement plans as investment options. We may periodically rebalance a Target Date portfolio at our discretion at the plan or omnibus account level. While we communicate with the plan sponsor, we cannot be assured that all plan participants are informed of this transaction in advance.

Voting Client Securities

Form ADV Part 2A, Item 17

We do not vote client securities (proxies). Clients may contact us to discuss various aspects of proxies, however all clients should understand that we believe it is ultimately in the client's best interests for them to vote their own securities. We suggest to our clients that they receive all proxy information. We may or may not be designated to receive copies. A client may contact us via email, in person or by telephone to discuss their proxy questions and discuss how we may have voted our own securities.

Financial Information

Form ADV Part 2A, Item 18

As stated earlier, our services are typically billed in advance at the beginning of the quarter for which we are providing services based on the closing balance of the prior quarter. Benefit Sources & Solutions does not charge asset based fees greater than three months in advance. We do not have any financial commitments that might impair our current or future ability to meet our contractual commitments to clients and we have not been the subject of a bankruptcy petition at any time during the past ten years.