

FORM ADV**Uniform Application for Investment Adviser Registration****Part II - Page 1****OMB APPROVAL**

OMB Number: 3235-0049
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Name of Investment Adviser: Balance Sheet Solutions, LLC						
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code:	Telephone Number:
	4450 Weaver Parkway, S. 250	Warrenville	IL	60555		800-782-2431

**This part of FORM ADV gives information about the investment adviser and its business for the use of clients.
The information has not been approved or verified by any government authority.**

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(Schedule A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form
are not required to respond unless the form displays a currently valid OMB control number.

Applicant: **Balance Sheet Solutions, LLC**

SEC File Number:

801- **63345**

Date:

01/02/2009

1. A. Advisory Services and Fees. (check the applicable boxes)

For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

- | | | | |
|---|--|-----------|---|
| <input checked="" type="checkbox"/> (1) | Provides investment supervisory services | <u>48</u> | % |
| <input type="checkbox"/> (2) | Manages investment advisory accounts not involving investment supervisory services..... | | % |
| <input checked="" type="checkbox"/> (3) | Furnishes investment advice through consultations not included in either service described above... | <u>10</u> | % |
| <input type="checkbox"/> (4) | Issues periodicals about securities by subscription | | % |
| <input type="checkbox"/> (5) | Issues special reports about securities not included in any service described above..... | | % |
| <input type="checkbox"/> (6) | Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities..... | | % |
| <input checked="" type="checkbox"/> (7) | On more than an occasional basis, furnishes advice to clients on matters not involving securities... | <u>42</u> | % |
| <input type="checkbox"/> (8) | Provides a timing service | | % |
| <input type="checkbox"/> (9) | Furnishes advice about securities in any manner not described above..... | | % |

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- B. Does applicant call any of the services it checked above financial planning or some similar term? Yes ☐ No ☒

C. Applicant offers investment advisory services for: (check all that apply)

- | | |
|--|--|
| <input checked="" type="checkbox"/> (1) A percentage of assets under management | <input type="checkbox"/> (4) Subscription fees |
| <input checked="" type="checkbox"/> (2) Hourly charges | <input type="checkbox"/> (5) Commissions |
| <input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees) | <input type="checkbox"/> (6) Other |

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

- | | |
|--|--|
| <input type="checkbox"/> A. Individuals | <input type="checkbox"/> E Trusts, estates, or charitable organizations |
| <input type="checkbox"/> B. Banks or thrift institutions | <input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above |
| <input type="checkbox"/> C. Investment companies | <input checked="" type="checkbox"/> G. Other (describe on Schedule F) |
| <input type="checkbox"/> D. Pension and profit sharing plans | |

Answer all items. Complete amended pages in full, circle amended items and file with execution page (page 1)

3. Types of Investments. Applicant offers advice on the following: (check those that apply)

- | | |
|--|--|
| <input type="checkbox"/> A. Equity securities | <input checked="" type="checkbox"/> H. United States government securities |
| <input type="checkbox"/> (1) exchange-listed securities | <input type="checkbox"/> I. Options contracts on: |
| <input type="checkbox"/> (2) securities traded over-the-counter | <input type="checkbox"/> (1) securities |
| <input type="checkbox"/> (3) Foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | <input type="checkbox"/> J. Futures contracts on: |
| <input checked="" type="checkbox"/> C. Corporate debt securities (other than commercial paper) | <input type="checkbox"/> (1) tangibles |
| <input checked="" type="checkbox"/> D. Commercial paper | <input type="checkbox"/> (2) intangibles |
| <input checked="" type="checkbox"/> E. Certificates of deposit | <input type="checkbox"/> K. Interests in partnerships investing in: |
| <input checked="" type="checkbox"/> F. Municipal securities | <input type="checkbox"/> (1) real estate |
| <input type="checkbox"/> G. Investment company securities: | <input type="checkbox"/> (2) oil and gas interests |
| <input type="checkbox"/> (1) variable life insurance | <input type="checkbox"/> (3) other (explain on Schedule F) |
| <input type="checkbox"/> (2) variable annuities | <input checked="" type="checkbox"/> L. Other (explain on Schedule F) |
| <input checked="" type="checkbox"/> (3) mutual fund shares | |

4. Methods of Analysis, Sources of Information, and Investment Strategies.

A. Applicant's security analysis methods include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input checked="" type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|--|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | Securities and Exchange Commission |
| (4) <input checked="" type="checkbox"/> Corporate rating services | (7) <input type="checkbox"/> Company press releases |
| | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

- | | |
|--|--|
| (1) <input checked="" type="checkbox"/> Long term purchases
(securities held at least a year) | (5) <input type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases
(securities sold within a year) | (6) <input type="checkbox"/> Option writing, including covered options,
uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input type="checkbox"/> Short sales | |

Applicant: Balance Sheet Solutions, LLC

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No
☒ ☐

(If yes, please describe these standards on Schedule F)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- formal education after high school
- year of birth
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- ☒ A. Applicant is actively engaged in a business other than giving investment advice.
- ☒ B. Applicant sells products or services other than investment advice to clients.
- ☒ C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- ☒ A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- ☐ B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- ☐ C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
- | | |
|--|--|
| <input type="checkbox"/> (1) broker-dealer | <input type="checkbox"/> (7) accounting firm |
| <input type="checkbox"/> (2) investment company | <input type="checkbox"/> (8) law firm |
| <input type="checkbox"/> (3) other investment adviser | <input type="checkbox"/> (9) insurance company or agency |
| <input type="checkbox"/> (4) financial planning firm | <input type="checkbox"/> (10) pension consultant |
| <input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant | <input type="checkbox"/> (11) real estate broker or dealer |
| <input type="checkbox"/> (6) banking or thrift institution | <input type="checkbox"/> (12) entity that creates or packages limited partnerships |

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.. Yes No
☐ ☒

(If yes, describe on Schedule F the partnerships and what they invest in.)

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- ☐ A. As principal, buys securities for itself from or sells securities it owns to any client.
- ☐ B. As broker or agent effects securities transactions for compensation for any client.
- ☐ C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- ☒ D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- ☒ E. Buys or sell for itself securities it also recommended to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code of ethics to any client or prospective client upon request.

- 10. Conditions for Managing Accounts.** Does the applicant provide investment advisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other condition for starting or maintaining an account?

Yes No
☒ ☐

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory account, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Subscribing clients are provided access to Investment Advisory or Balance Sheet Analytic services, which reviews the client's portfolio(s) for performance relative to the specific client's objectives on a one-time, monthly or quarterly basis (as defined by the type of service) Informal reviews will be made at least biweekly. Client inquires my trigger additional account reviews. All accounts are managed by a Sr. Portfolio Manager with additional oversight by an Executive Director. These investment advisory representatives are personnel that are licensed properly or exempt from registration requirements.

- B. Describe below the nature and frequency of regular reports to clients on their accounts.

Services include a comprehensive review of the client's investment and asset-liability management policies (annually), preparation of a share deposit sensitivity analysis (annually), portfolio surveillance reports (quarterly), investment accounting reports (monthly) and trade justifications (per trade). Surveillance reports include an analysis of composition, cash flow, high risk security tests on CMO's, holdings with embedded options, credit worthiness, marketable securities appraisals, portfolio yield analysis and policy compliance. ALM analysis (quarterly) includes NEV, NI and rate sensitivity analysis.

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12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | | |
|--|--------------------------|-------------------------------------|
| | Yes | No |
| (1) securities to be bought or sold? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) amount of securities to be bought or sold? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (3) broker or dealer to be used? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) commission rates paid? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? ☐ Yes ☒ No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|-------------------------------------|-------------------------------------|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes | No |
| | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes | No |
| | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?..... ☐ Yes ☒ No

Schedule F of**Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Balance Sheet Solutions, LLC

SEC File Number:

801- 63345

Date:

01/01/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Balance Sheet Solutions, LLC		IRS Empl. Ident. No.: 51-0428332
Item of Form (identify)	Answer	

Part II, Item 1.D

Balance Sheet Solutions, LLC provides non-discretionary investment advisory services to clients seeking to contract external portfolio management expertise to aid in the management of short- and long-term balance sheet strategies. The firm also provides ala carte statistical analytic services to aid subscribing clients with comprehensive asset-liability management solutions, deposit analysis and other reporting tools to qualify and or quantify potential risks to the client's capital and potential earnings. Additionally, Balance Sheet Solutions provides consulting services to clients that prefer to purchase services that are customized to meet the specific demands of the client. The following provides a brief description of Balance Sheet Solutions' various advisory services, related fee schedules and billing practices.

Investment Advisory Service

The investment advisory service rendered by Balance Sheet Solutions, provides subscribing clients a non-discretionary portfolio management service that includes an annual review of the client's investment and asset-liability management policies; annual preparation of the client's share deposit sensitivity analysis; annual (at a minimum) identification of performance benchmark(s) for the portfolio(s) in which Balance Sheet Solutions provides advisory services; quarterly design of strategies specific to the portfolio management objectives identified between the client and the investment advisory representative; quarterly portfolio surveillance reports; investment accounting reports (monthly); and trade justifications (per trade based on a strategy or recommendation from Balance Sheet Solutions). Portfolio surveillance reports include an analysis of the client's portfolio composition, cash flow projections, high risk security tests on collateralized mortgage obligations, security holdings with embedded options, credit worthiness of holdings (based on ratings from nationally recognized rating agencies), marketable securities appraisal report, portfolio yield analysis and a policy compliance report. Additionally, clients subscribing to the non-discretionary investment advisory service will receive quarterly asset-liability management reporting analytics, which at a minimum include reports demonstrating net economic value calculations, net income and net income forecast, graphic and tabular descriptions of marginal interest rate sensitivity and cumulative sensitivity gap positions.

<u>Value of investment portfolio</u>	<u>Fee</u>
Base fee	\$800.00
1 st \$25,000,000 or less	10.0 basis points (0.100%)
Next \$25,000,000	7.5 basis points (0.075%)
Next \$25,000,000	5.0 basis points (0.050%)
Next \$25,000,000	3.0 basis points (0.030%)
\$100,000,000 or greater	2.0 basis points (0.020%)

Fees are calculated based on the size of the entire value of the client's investment portfolio under contract, multiplied by the fee divided by 365 days, multiplied by the number of days in the month in which the service is provided. The fee calculation includes the base fee plus the previously defined calculation methodology. All fees are billed on the first business day of the month in which the service is provided based on the value of the portfolio as of the preceding quarter-end. Payments are due

Schedule F of**Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Balance Sheet Solutions, LLC

SEC File Number:

801- 63345

Date:

01/01/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Balance Sheet Solutions, LLC		IRS Empl. Ident. No.: 51-0428332
Item of Form (identify)	Answer	

Part II, Item 1.D (continued)	<p>by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday or Sunday, payments are due the next business day.</p> <p>Balance Sheet Analytics Program</p> <p>This service is designed for clients that have identified a need for customized balance sheet assistance. This ongoing program is designed to aid clients with the performance of typical duties associated with an individual's responsibilities for asset/liability management and investment management. Included as part of the service are the following components:</p> <ul style="list-style-type: none">- One-time review of investment policies- One-time review of asset/liability management policies- Annual preparation of a share sensitivity analysis- Annual preparation of portfolio benchmarking analysis and monthly analytics depicting the position of the portfolio relative to the benchmark portfolio- Preparation of quarterly asset/liability management modeling reports <p>The fee for the credit union in transition program is an ongoing monthly fee of \$1,000, and an initial \$2,000 set-up fee. Fees are revised at least annually. The fee is billed on the first business day of the month in which the service is started. Payments are due by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday or Sunday, payments are due the next business day.</p> <p>Ala Carte Services</p> <p><u>Share Sensitivity Analysis</u></p> <p>The share sensitivity analysis is a statistical study on the historical product pricing behaviors and the consequent member behaviors so that the institution (client) can apply these same dynamics going forward.</p> <p>The fee for preparing a share sensitivity analysis is \$4,000. Fees are revised at least annually. The fee is billed on the first business day of the month following the month in which the report is prepared. Payments are due by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday or Sunday, payments are due the next business day.</p> <p><u>Portfolio Benchmarking Analysis</u></p> <p>Creating an investment/liability benchmark portfolio is a process that Balance Sheet Solutions goes through to test the impact a series of increasing durations have on net income, net income volatility, net economic value and net economic value volatility. This aids the institution (client) by selecting a benchmark portfolio based on risk and return.</p> <p>The fee for developing a client's benchmark portfolio is \$2,500. Fees are revised at least annually. The fee is billed on the first business day of the month following the month in which the report is prepared. Payments are due by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday or Sunday, payments are due the next business day.</p>
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Complete amended pages in full, circle amended items and file with execution page (page 1).

Schedule F of**Form ADV****Continuation Sheet for Form ADV Part II**Applicant:
Balance Sheet Solutions, LLC

SEC File Number:

801- 63345

Date:

01/01/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Balance Sheet Solutions, LLC		IRS Empl. Ident. No.: 51-0428332
Item of Form (identify)	Answer	

Part II, Item 1.D (continued)	<p><u>A/L Management Modeling</u> A/L Management Modeling is an asset liability modeling tool used to measure and report interest rate risk on the balance sheet.</p> <p>The fee for A/L Management Modeling includes a one-time set up fee of \$2,000. The following defines Balance Sheet Solutions' current pricing for A/L Management Modeling:</p> <table border="0"> <thead> <tr> <th><u>Frequency of reporting</u></th> <th><u>Annual fee</u></th> </tr> </thead> <tbody> <tr> <td>Monthly (12 reports)</td> <td>\$12,000.00</td> </tr> <tr> <td>Quarterly (4 reports)</td> <td>\$5,000.00</td> </tr> <tr> <td>Semi-annual (2 reports)</td> <td>\$3,000.00</td> </tr> <tr> <td>Annual (1 report)</td> <td>\$2,500.00</td> </tr> </tbody> </table> <p>The fee is billed on the first business day of the month following the month in which the service subscription is implemented. Payment is due by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday, or Sunday, payments are due the next business day. If a client elects not to receive a report(s) within the agreed upon timelines, Balance Sheet Solutions' does not offer refunds for unused portions of the agreement.</p> <p><u>A/L Management Reporting</u> A/L Management Reporting provides fundamental risk management reporting. This service utilizes aggregate assets and liabilities along with no growth assumptions to provide basic interest rate risk reporting.</p> <p>The fee for A/L Management Reporting includes a one-time set up fee of \$500. The following defines Balance Sheet Solutions' current pricing for A/L Management Reporting.</p> <table border="0"> <thead> <tr> <th><u>Frequency of reporting</u></th> <th><u>Annual Fee</u></th> </tr> </thead> <tbody> <tr> <td>Quarterly (4 reports)</td> <td>\$2,500.00</td> </tr> <tr> <td>Semi-Annual (2 reports)</td> <td>\$2,000.00</td> </tr> </tbody> </table> <p><u>Asset/Liability Management Process Review</u> This service is designed for clients desiring a validation of an in-house asset/liability management modeling application. In addition to providing a thorough, objective data management and assumption review, the service includes a parallel asset/liability management modeling analysis, review of the clients asset/liability management decision-making process, modeling back-testing analysis, and a share sensitivity analysis.</p> <p>The fee for performing the asset/liability management process review is \$15,000, plus an initial \$2,000 set-up fee. Fees are revised at least annually. The fee is billed on the first business day of the month following the month in which the service is provided. Payments are due by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday or Sunday, payments are due the next business day.</p>	<u>Frequency of reporting</u>	<u>Annual fee</u>	Monthly (12 reports)	\$12,000.00	Quarterly (4 reports)	\$5,000.00	Semi-annual (2 reports)	\$3,000.00	Annual (1 report)	\$2,500.00	<u>Frequency of reporting</u>	<u>Annual Fee</u>	Quarterly (4 reports)	\$2,500.00	Semi-Annual (2 reports)	\$2,000.00
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Part II, Item 1.D (continued)	<p><u>Parallel Asset/Liability Management Modeling</u></p> <p>Unlike the asset/liability management process review, the parallel asset/liability management modeling service is for clients needing or desiring a one-time validation of their in-house or outsourced asset/liability management modeling application. The service provides a comparison of the modeling results generated by Balance Sheet Solution versus those calculated by the client. Additionally, the service includes a one-time share sensitivity analysis.</p> <p>The fee for performing the one-time validation is \$6,500, plus an initial \$2,000 set-up fee. Fees are revised at least annually. The fee is billed on the first business day of the month following the month in which the report is prepared. Payments are due by the 15th day of the month in which the billing occurred. If the 15th is a holiday, Saturday or Sunday, payments are due the next business day.</p> <p>Consulting and customized services</p> <p>Balance Sheet Solutions offers a range of consulting services to clients according to the particular requirement of the client. These include without limitation the following services:</p> <ul style="list-style-type: none">- Investment policy evaluation- Asset-liability management policy evaluation- Balance sheet evaluation- Liquidity policy evaluation and assessment- Validation of asset-liability modeling- Hedge strategies to reduce balance sheet risk- Training and education- Strategic planning
Part II, Item 2.G	<p>Balance Sheet Solutions charges a maximum hourly fee of \$250.00 for its consulting services plus travel expenses. At the discretion of Balance Sheet Solutions, a variable and or fixed fee can be negotiated with a client prior to finalizing the scope of the consulting arrangement. Prior to entering into a consultative or contractual relationship with a client, Balance Sheet Solutions will provide a written proposal defining the scope, timing and fees associated with the client service request.</p> <p>Clients of Balance Sheet Solutions are typically federal credit unions or state chartered credit unions. The National Credit Union Administration (NCUA) regulates potential credit union clients who are federally chartered. State chartered credit unions are governed by the rules and regulations applicable to the jurisdiction in which the credit union operates.</p>
Part II, Item 3.L	<p>Balance Sheet Solutions provides investment advisory, financial strategies and other consulting services to clients regarding the investment instruments permitted by the NCUA's Rules and Regulations Part 703 for federal credit unions. Investment instruments for state chartered credit unions are governed by the rules and regulations applicable to credit unions in the respective state. In addition to the types</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

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--	--

Item of Form (identify)	Answer
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	<p>of instruments identified in Part II, Item 3, the following represents the additional instruments that Balance Sheet Solutions will provide advice on to its clients:</p> <ul style="list-style-type: none">- Federal National Mortgage Association securities- Federal Home Loan Bank securities- Federal Home Loan Mortgage Corporation securities- Federal Farm Credit Bank securities- Federal Land Bank securities- Tennessee Valley Authority securities- Small Business Administration securities- Student Loan Market Association securities- Other Government Agency and Government Sponsored Enterprise securities- Municipal bonds- Certificates of deposit- Bank and holding company debt- Corporate bonds- Collateralized mortgage obligations- Commercial mortgage-backed securities- Real estate mortgage investment conduits- Asset-backed securities- Corporate credit union depository products- Money market instruments
Part II, Item 4.A.5	Balance Sheet Solutions' investment advisory representatives recommend sector allocation strategies based on the firm's relative value analysis and the client's benchmark portfolio. Security trade recommendations and security selection process will be consistent with the tactical plan developed for the client.
Part II, Item 4.B.8	A benchmark portfolio is used as Balance Sheet Solutions' source of information for what is suitable and appropriate for each institution. Balance Sheet Solutions utilizes a total return analysis on the investable sectors for clients as the baseline relative value analysis.
Part II, Item 4.C.7	Balance Sheet Solutions uses a relative value analysis to build sector allocation strategies for the respective client's benchmark portfolio.
Part II, Item 5	Balance Sheet Solutions requires those individuals involved in determining or giving investment advice to clients to have the appropriate educational background such as a degree in finance, accounting, economics or management. Additionally, a minimum of two years work experience in a financial institution as an investment adviser or similar experience in funds management, portfolio management or asset-liability management is required. Certain educational requirements can be substituted if an individual has more than ten years work experience in a related field.

Complete amended pages in full, circle amended items and file with execution page (page 1).

Schedule F of**Form ADV**

Continuation Sheet for Form ADV Part II

Applicant:
Balance Sheet Solutions, LLC

SEC File Number:

801- 63345

Date:

01/01/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Balance Sheet Solutions, LLC		IRS Empl. Ident. No.: 51-0428332
Item of Form (identify)	Answer	

Part II, Item 6	<p>The following provides a high-level overview of the background for Balance Sheet Solutions' Financial Strategies Group of officers and/or supervisory personnel:</p> <p><i>Name:</i> Thomas Gerard Moore, CFA</p> <p><i>Year of birth:</i> 1961</p> <p><i>Formal education after high school:</i> BS Finance Indiana University Bloomington, Indiana</p> <p><i>Business background for the preceding five years:</i> Balance Sheet Solutions, LLC Warrenville, Illinois President/CEO July 2006 to present</p> <p>Members United Corporate Federal Credit Union Warrenville, Illinois Executive Vice President, ALM July 2006 to present</p> <p>Mid-States Investment Solutions LLC Warrenville, Illinois President, CEO October 2003 to June 2006</p> <p>Mid-States Corporate Federal Credit Union Warrenville, Illinois Senior Vice President, Investment Services August 2003 to June 2006</p> <p>United Airlines Employee's Credit Union Chicago, Illinois Senior Vice President – Finance, CFO April 1986 to August 2003</p> <p><i>Name:</i> James Andrew Toliver, CFA</p> <p><i>Year of birth:</i> 1962</p> <p><i>Formal education after high school:</i> BS Finance – Securities Investment Arizona State University Tempe, Arizona</p> <p><i>Business background for</i></p>
Part II, Item 6 (continued)	

Complete amended pages in full, circle amended items and file with execution page (page 1).

Schedule F of

Form ADV

Continuation Sheet for Form ADV Part II

Applicant:
Balance Sheet Solutions, LLC

SEC File Number:

801- 63345

Date:

01/01/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Balance Sheet Solutions, LLC	IRS Empl. Ident. No.: 51-0428332
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Item of Form (identify)	Answer
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	<p><i>the preceding five years:</i> Balance Sheet Solutions, LLC Warrenville, Illinois Executive Director, Advisory Services July 2006 to present</p> <p>Mid-States Investment Solutions LLC Warrenville, Illinois Senior Managing Director Financial Strategies Group June 2004 to June 2006</p> <p>Mid-States Corporate Federal Credit Union Warrenville, Illinois Chief Risk Officer September 2003 to June 2005</p> <p>United Airlines Employee's Credit Union Chicago, Illinois Director of Investments December 2000 to September 2003</p>
Part II, Item 7.A	In addition to being registered as an investment advisor with the Securities and Exchange Commission (SEC), Balance Sheet Solutions is also registered with the SEC as a broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. Balance Sheet Solutions offers clients fixed-income marketable securities on a principal, riskless principal or agent basis. Additionally, Balance Sheet Solutions provides clients access to non-registered financial depository products and services.
Part II, Item 7.B	Through properly licensed representatives, Balance Sheet Solutions offers clients access to financial products (registered and non-registered) including share and share certificates of Members United Corporate Federal Credit Union (Members United) and brokered certificate of deposits offered through Primary Financial Company LLC's service know as SimpliCD, risk management reporting, share sensitivity analytics, and other consulting services.
Part II, Item 7.C	Balance Sheet Solutions anticipates its executive officers will spend approximately 60 percent of their time on client financial strategies and consulting activities.
Part II, Item 9.B, D and E	Balance Sheet Solutions is an Illinois limited liability company that is wholly owned by Members United. Balance Sheet Solutions is also considered to be a credit union service organization for the purposes of the NCUA Rules and Regulations Part 704. Members United buys and sells for its portfolio several of the same types of securities recommended to financial strategies clients. When a particular security is being recommended to a financial strategies client, and the security is held or is being considered by Members United, the client will be so advised to avoid any conflict of

Complete amended pages in full, circle amended items and file with execution page (page 1).

Schedule F of**Form ADV****Continuation Sheet for Form ADV Part II**Applicant:
Balance Sheet Solutions, LLC

SEC File Number:

801- 63345

Date:

01/01/2009

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV: Balance Sheet Solutions, LLC		IRS Empl. Ident. No.: 51-0428332
Item of Form (identify)	Answer	

Part II, Item 10	interest, loyalties and responsibilities in these transactions.
	Members United also offers depository products with the same maturities as securities that may be recommended to clients. The client is advised about the relationship between Balance Sheet Solutions and Members United in the client agreement executed between Balance Sheet Solutions and the advisory client.
	Full disclosure will be given to the client and the client's consent is received in advance for any transactions executed. Balance Sheet Solutions accepts orders for permissible fixed-income marketable securities, depository obligations of Members United and depository products offered through Primary Financial service known as SimpliCD. The client is responsible for the purchase of other depository products.
Part II, Item 13.B	Investment advisory services are available to clients based on the assets under management for the respective client. Balance Sheet Solutions requires a minimum monthly fee of \$800. A detailed fee schedule is defined previously within Part II, Item 1.D.
	Balance Sheet Solutions provides a marketing fee to Members United for positioning and introducing Balance Sheet Solutions' advisory services. Balance Sheet Solutions pays Members United a one-time fee of approximately 5 percent of the first years' expected advisory revenues, excluding base fees, at the time of the execution of the client contract.
	Code of Conduct Members United and its wholly-owned subsidiaries, including Balance Sheet Solutions, requires executive officers, senior management and other affected employees to execute a Code of Conduct statement each year. The Code of Conduct is in addition to the Business Ethics policy that each employee receives in the institution's Employee Handbook. It provides the framework for maintaining the highest possible standards of professional conduct. The Code of Conduct is a statement of values and ethical standards to which Members United requires these employees to adhere. A copy of the Code of Conduct is available to current clients upon written request