

FTJ FundChoice, LLC

Appendix 1 of Form ADV Part 2A

The Wrap Brochure

2300 Litton Lane, Suite 102
Hebron, KY 41048
(859) 426-2000
<https://www.ftjfundchoice.com/>

June 2014

FTJ FundChoice, LLC (“we,” “us,” or “our”) is an investment advisor that is registered with the United States Securities and Exchange Commission (“SEC”). Registration with the SEC does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of FTJ FundChoice, LLC (“FTJFC”). For more information about the brochure and the type of information that is required to be disclosed see the “General Instructions for Part 2 of Form ADV” by visiting www.sec.gov/rules/final/2010/ia-3060.pdf. If you have any questions about the contents of this brochure, please contact us at 800-379-2513 or 859-426-2000. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about FTJFC is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2 - Material Changes

Since our filing in July 2013 the following material changes have occurred. As of March 2014, FTJFC amended client fees to include a termination fee and disclosed that a portion of the administration fee may at FTJFC's discretion be distributed to the Financial Advisor. In addition to the client fee changes, FTJFC added Market Movement Solutions and AAMA to the ETF Strategist Program. As a result of this addition, FTJFC has included language below regarding the use of leveraged and inverse exchange traded funds as a hedging strategy. Lastly, FTJFC has further disclosed details surrounding the Trading and Custody fee, explaining at the discretion of FTJFC a portion of the fee collected may be distributed to the RIA.

Item 3 - Table of Contents

Item 2 - Material Changes.....	2
Item 3 - Table of Contents	2
Item 4 - Services, Fees and Compensation	2
Item 5 - Account Requirements and Types of Clients	9
Item 6 - Portfolio Manager Selection and Evaluation.....	10
Item 7 - Client Information Provided to Strategists	11
Item 8 - Client Contact with the Strategists	11
Item 9 - Additional Information.....	11

Item 4 - Services, Fees and Compensation

Overview of Our Advisory Services

The wrap fee ETF Strategist Program described in this brochure is offered through Registered Investment Advisory firms (RIA) and/or Investment Advisor Representatives affiliated with the RIA, collectively referred to as (RIAs), whereas the RIA is serving as the individual advisor for the Client. In order to participate in the program, the Client will enter into an Application and a Terms of Use Agreement that outlines the services to be performed by the RIA, the authority of the RIA and the Client over transactions in the Client's account, the compensation to be paid by the Client and other important provisions governing participation in the Program. It is the responsibility of the RIA to evaluate the Client's investment needs and objectives and consult with the Client to determine suitability of the various investment options provided on the Strategist Program.

A wrap fee program is an investment advisory program in which you pay one fee for both investment advisory services and transaction costs in your account. The wrap fee is not based directly upon the actual transaction or execution costs for the transactions within your account.

The ETF Strategist Program enables us to provide you with customized investment portfolio options composed of mutual funds and exchange-traded funds (collectively "Model Portfolios,") managed by a group of third-party asset managers ("Strategists") we have selected to participate in the ETF Strategist Program, and administered by us using a third party technology platform.

We engage the Strategists to develop and manage Model Portfolios on our behalf through investments in mutual funds and exchange-traded funds. The Strategists determine which mutual funds and/or exchange-

traded funds to include in the Model Portfolios and will periodically adjust and rebalance the Model Portfolio investments to remain consistent with their investment strategies. Any modifications to the Model Portfolios by the Strategists are effected through the sales of securities in your account, which may have tax ramifications for you based on the transactions that result.

The Strategists are responsible for managing the Model Portfolios on behalf of FTJ FundChoice. Neither FTJ FundChoice nor the Strategists are acting as your investment advisor, nor possess knowledge of your individual information or investment goals and objectives or provide personalized investment advice to you. You remain the owner of all securities held in your Model Portfolio account and have all ownership rights associated with these securities.

Model Portfolios and Implementation Strategies

Our ETF Strategist Program provides access to asset allocation models developed by the third party Strategists who we have selected and regularly monitor. Currently, we have engaged the following investment managers as Strategists:

- AAMA
- Clark Capital Management Group
- CLS Investments
- Efficient Market Advisors
- Ladenburg Thalmann Asset Management
- Litman Gregory Asset Management
- Main Management, LLC
- Market Movement Solutions, LLC ("MMS")
- Wilshire & Associates

Each Strategist will offer multiple models for various risk profiles and is responsible for creating and managing models using mutual funds and exchange-traded funds available through our platform ("Strategist Model"). Your account will be invested in accordance with the Strategist Model you select with your Investment Advisor. You are not permitted to place any investment restrictions on the Strategist models. To the extent you reject any changes to the Strategist model, your account will no longer be managed in accordance with the Strategist Model, and it will be you or your Investment Advisor's responsibility to manage the account. In such cases, you will no longer be charged fees for the ETF Strategist program.

It is up to you and your Investment Advisor to select the most appropriate Strategist Model offered by our ETF Strategist Program. Once your Investment Advisor has selected a Strategist Model and you have consented to their selection, we will provide trading, reporting and administrative services. When a Strategist suggests a transaction in any Strategist Model, we have the authority to conduct trading activity to reflect the transaction in your account, as outlined in the most recent version of the Terms of Use Agreement. Please read this document carefully, as it contains important information on how your account will be managed. When opening an account with us, you will be required to consent to this agreement. In the event a Strategist or model is removed from the program, FTJFC will notify your advisor of the change and request that action be taken to reassign the account by a specified date. If no action is taken by you or your advisor, FTJFC and or the Strategist reserve the right to map your account to an alternative model portfolio. No action on the part of the advisor is considered consent to the recommended alternative model portfolio.

If you or your advisor decide that the model portfolio no longer meets your investment needs the account can be reassigned to a cash model or another type of Strategist model portfolio. If you or your advisor

want to reassign your holdings to an alternative model portfolio the trades will be included in the next trade file after the request has been received. **ETF holdings may not be held in a Self-Directed or Qualified Account.**

Mutual Funds

A mutual fund is a pooled investment company that brings together money from multiple individuals for which it invests into stock, bonds, and other assets. FTJFC has developed relationships with multiple mutual fund families to be used as the vehicle to implement the asset allocation strategies. These mutual funds will include both no-load mutual funds and load-waived mutual funds. The mutual funds selected by the Strategist are selected based on a number of criteria, and may be added or removed by FTJFC from time to time.

Exchange-Traded Funds

An exchange-traded fund (“ETF”) is a unit investment trust or investment company. ETFs resemble index funds, but can be bought and sold throughout the trading day at market prices just like common stocks. These investment vehicles allow investors a convenient way to purchase a broad basket of securities in a single transaction. FTJFC has developed relationships with multiple ETFs to be used as the vehicle to implement the asset allocation strategies provided by the ETF Strategists.

The use of leveraged and inverse exchange traded funds as a hedging strategy is utilized through the The Elements Group subadvised portfolio under the MMS Strategist Model. Leveraged ETFs seek to deliver multiples of the performance of the index or benchmark they track. Inverse ETFs (also called “short” funds) seek to deliver the opposite of the performance of the index or benchmark they track. Like traditional ETFs, some leveraged and inverse ETFs track broad indices, some are sector-specific, and others are linked to commodities, currencies, or some other benchmark. Inverse ETFs often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward moving markets.

Leveraged inverse ETFs (also known as “ultra short” funds) seek to achieve a return that is a multiple of the inverse performance of the underlying index. An inverse ETF that tracks a particular index, for example, seeks to deliver the inverse of the performance of that index, while a 2x (two times) leveraged inverse ETF seeks to deliver double the opposite of that index’s performance. To accomplish their objectives, leveraged and inverse ETFs pursue a range of investment strategies through the use of swaps, futures contracts, and other derivative instruments.

Most leveraged and inverse ETFs “reset” daily, meaning that they are designed to achieve their stated objectives on a daily basis. Their performance over longer periods of time -- over weeks or months or years -- can differ significantly from the performance (or inverse of the performance) of their underlying index or benchmark during the same period of time. This effect can be magnified in volatile markets.

Trading

Trading will occur through the brokerage accounts you establish with the Custodial partner. Strategists will provide FTJFC with instructions to rebalance or reallocate the Model Portfolios depending on their asset allocation philosophy or investment manager selection process. These adjustments to the asset allocations will result in transactions in your account. Your investment advisor or you instruct FTJFC that your account will be invested in accordance with the Model Portfolio as indicated on the Investment Direction form and that if the model portfolio changes, FTJFC will rebalance your account to be aligned with the selected Model Portfolio. Your advisor or you may instruct FTJFC to terminate the use of the

Model Portfolios at any time. You will receive notification of all transactions in your account in the form of an account statement and trade confirms provided by the Custodial Partner. FTJFC will initiate the trades in your account in accordance with a change in the Strategist model portfolios, as they are received from the Strategist and implemented within our trade rotation schedule. All ETF trades are grouped and blocked by Strategist and allocated by block on a prorata basis. This includes rebalances as well as reassignment into or out of a Model Portfolio. Although, ETFs held in Model Portfolios will be executed throughout the day at market prices, the last trade file will be sent to the Custodial Partner at or around 3 pm EST. FTJFC has policies and procedures in place to monitor best execution practices at the Custodial Partner which has the obligation to obtain best execution on behalf of FTJFC's clients. FTJFC will direct all trade execution to its Custodial Partner unless otherwise directed by the client. In certain circumstances, better execution may be available from broker-dealers other than the Custodial Partner. However, FTJFC reserves the right to accept or reject such accounts based on its ability to provide adequate account monitoring and best execution. With respect to ETF accounts it may be impractical to execute transactions in a single day in response to a Model Portfolio change; you also instruct, authorize and direct that such accounts be traded in accordance with instructions on timing and price levels given by FTJFC to the Custodial Partner. All ETF dividends will be paid to cash unless specifically requested.

Client Exclusions and Security Restrictions

You and your advisor have the ability to terminate your Model Portfolio at any time in writing or your advisor has the ability to remove you from a Model Portfolio online at www.ftjfundchoice.com. Neither you nor your advisor has the ability to restrict certain securities or asset classes in the Model Portfolio.

ERISA Accounts

FTJFC does not offer the wrap program to ERISA based plans at this time.

Program Portfolio Fees

The fees applicable to the Program Portfolio are:

1. Administration Fee

You will pay an annual Administration Fee to us for providing our reporting and accounting services. This fee will be deducted from your account monthly in arrears and is based on the average daily account balance ("ADB") for the previous month. If your account was not open for the entire month, then the fee will be pro-rated. Any changes to our fee schedule are outlined in our Terms of Use and Client Service Agreement. The Administration Fee may be discounted for Investment Advisors who have a significant amount of assets invested on our platform. The amount of the discount is individually negotiated with each Investment Advisor at our discretion.

The current annual Administration Fee schedule for accounts is as follows:

Administration Fee Schedule

\$50,000.01 – \$100,000	0.35%
\$100,000.01 – \$250,000	0.20%
\$250,000.01 – \$500,000	0.175%
Over \$500,000.01	0.15%

Custody Services

Custody Services for the Program will be provided by TD Ameritrade Institutional, our “Custodial Partner.” FTJFC participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. (“TD Ameritrade”) member FINRA/SIPC/NFA. TD Ameritrade is an independent SEC-registered broker-dealer. TD Ameritrade and FTJFC are unaffiliated. TD Ameritrade offers services to FTJFC which include custody of securities, trade execution, and clearance and settlement of transactions. FTJFC receives some benefits from TD Ameritrade through its participation in the TD Ameritrade Institutional program.

The investments in each Model Portfolio will be held in a separate brokerage account at the Custodial Partner. The Custodial partner typically receives a shareholder/servicing fee from the load-waived mutual funds held by the client accounts. This compensation ranges from 0.0% to 0.40% per annum of the amount invested through the Strategist Platform in mutual funds. The Custodial Partner may also receive similar fees in respect to ETFs held in Model Portfolios.

FTJFC provides Custodial Partners certain services in respect to custody arrangements. As such, the Custodial Partner will reimburse FTJFC for certain costs associated with the Program. FTJFC reserves the right to change the custodian and will notify you 30 days prior to such change. The Custodial Partner will send statements directly to you no less than quarterly. You should carefully review and compare these statements to any account information provided by us or your Investment Advisor.

FTJFC reserves the right to pass on to you clearing related fees and other charges imposed by the Custodial Partner in connection with your Model Portfolio account. Please refer to the TDA Institutional Maximum Fee, Commissions and Limits at www.ftjfundchoice.com for the most current list of fees.

2. Account Maintenance Fee

In addition to the Administration Fee, the current Account Maintenance Fee for accounts is \$25.00 or \$50.00 per account annually. If you elect to receive statements electronically then the fee is \$25 per account. If you elect to receive mailed statements then the fee is \$50 per account.

We may also charge miscellaneous fees associated with administrative services, such as processing wire or ACH transfers, check fees, low balance fees, asset transfers, termination fees, or over nighting checks. Please contact us for a list of these fees.

The Account Maintenance Fee may be discounted for Investment Advisors who have a significant amount of assets invested on our platform. The amount of the discount is individually negotiated with each Investment Advisor at our discretion.

3. ETF Strategist Fee

The fees charged by each Strategist vary and their fees are in addition to the Administration Fees charged by us and the fees charged by your Investment Advisors. The Strategist Fees charged by each Strategist are as follows:

Strategist Maxium Fees

AAMA	0.20%
Clark Capital Management Group	0.10%
CLS Investments	0.20%
Efficient Market Advisors	0.20%
Ladenburg Thalmann Asset Management	0.20%
Litman Gregory Asset Management	0.10%
Main Management, LLC	0.20%
Market Movement Solutions, LLC	0%-.50%*
Wilshire & Associates	0.10%

Some Strategists may select affiliated mutual funds when developing their Strategist model. For example, Wilshire & Associates may build its Strategist models by selecting mutual funds affiliated with Wilshire & Associates. Wilshire & Associates will receive a management fee from the mutual fund they manage.

Strategists may refer or recommend their clients to invest via our mutual fund or exchange-traded fund platform. This arrangement creates an incentive for us to keep these Strategists over others that we may be considering.

*The MMS fee is dependent on the combination of subadvised portfolios with in the model, customized on a per client basis. For the exact fee details, please consult your MMS investment proposal. In the MMS models, each subadvisor charges a fee that is aggregated at the client level and paid to MMS by FTJFC. MMS retains its portion of the fee and pays each subadvisor their negotiated portion. Your investment advisor determines the appropriate MMS model and underlying percentage to each subadvisor based on the results of your investment proposal.

The Strategist fees are billed and collected in the same manner as the Administration Fee.

4. Trading and Custody Fee

A Trading and Custody Fee will be assessed on the aggregate amount of ETF assets that is part of a Model Portfolio. This fee covers general charges for trading execution costs and certain administration fees that may be charged by the Custodial Partner. This fee will be deducted from your account monthly in arrears and is based on the average daily account balance (“ADB”) for the previous month on the ETF assets in your account. If your account was not open for the entire month, then the fee will be pro-rated.

The Trading and Custody Fee is billed and collected in the same manner as the Administration Fee. We may at our discretion distribute a portion of the Trading and Custody fee to the RIA.

Trading and Custody Fee

\$0.00 - \$250,000.00	20bps
\$250,000.01 - \$500,000.00	15bps
Over \$500,000.00	10bps

5. Advisory Fees

Your investment advisor will charge an advisory fee for the services he provides. FTJFC does not receive any portion of the advisory fee as it relates to your account. Your advisory fee will be authorized by you during the account opening process and may only be increased by your written approval. You should review the fees charged by your Investment Advisor which are outlined in your Investment Advisor's Form's ADV Part 2A. Fees paid to your Investment Advisor are in addition to any fees charged by us.

Other Issues Relating to Fees

FTJFC believes that its Trading and Custody fees are competitive with fees charged by other investment advisers for comparable services, especially in consideration of the fact that the costs of the Trading and Custody fees are included. Comparable services may be available, however, from other sources for lower fees.

Mutual Fund and ETF Expenses

Mutual funds and ETFs held in your Model Portfolio account impose internal administrative charges, fees or expenses, which may include management and administrative fees, 12b-1 fees and related servicing or marketing expenses, sub-transfer agent fees, deferred sales charges and other fees or expenses.

Some of these fees may not be billed to you directly but could impact the returns on individual mutual funds or ETFs held in your Model Portfolio account. Please consult the applicable prospectus or statement of additional information relating to your underlying Model Portfolio investments for more information.

Cost of Program Compared to Separate Purchase of Services

If the investment advisory services, brokerage, and custody services are paid separately it is possible that independently the cost of those services may be less than the fees you pay for the program. We urge you to evaluate the costs relative to your unique personal circumstance.

Fees for Additional Services

The Fees discussed above do not cover certain charges associated with securities transactions in Clients' accounts, including: (a) dealer markups, markdowns or spreads charged on transactions in over-the-counter securities; (b) costs relating to trading in certain foreign securities; (c) the internal charges and fees that may be imposed by any Funds, (such as fund operating expenses, management fees, redemption fees, 12b-1 fees and other fees and expenses). Further information regarding charges and fees assessed by Funds may be found in the appropriate prospectus or offering document or other regulatory fees; (d) brokerage commissions or other charges imposed by broker-dealers or entities other than the custodian if and when trades are cleared by another broker-dealer; (e) the charge to carry tax lot information on transferred mutual funds or other investment vehicles, postage and handling charges, returned check charges, transfer taxes; stock exchange fees or other fees mandated by law.

In addition to the redemption fee above, a Client may incur redemption fees when the Strategist to an investment strategy determines that it is in the Client's overall interest, in conjunction with the stated goals of the investment strategy, to divest from certain Funds prior to the expiration of the minimum holding period of the Funds. Some mutual funds also assess redemption fees to investors upon the short-term sale of its funds. Depending on the particular mutual fund, this may include sales for rebalancing

purposes. Please see the prospectus for the specific mutual fund for detailed information regarding such fees.

The Trading and Custody Fee does not cover certain custodial fees that may be charged for specific account services, such as ACAT transfers, electronic fund and wire transfer charges, and for other optional services elected by Clients.

Payments to Financial Professionals and Firms

Your investment advisor may receive compensation (Advisory Fee) as result of your participation in the Program. In addition, based on the economic relationship between FTJFC and your investment advisor, your investment advisor may receive certain marketing allowances or a portion of the program fee we collect from you. Since the compensation your advisor receives may be more than what they received in another program or purchasing these services separately, your investment advisor may have a financial incentive to offer this program over others.

Item 5 - Account Requirements and Types of Clients

Minimum Account Size

Our ETF Model Portfolios may be comprised of ETFs, Mutual Funds, and Cash. The ETF Model Portfolios are subject to a \$50,000 minimum account size per model.

Types of Clients

FTJFC makes this program available to individuals, high net-worth individuals, corporations and other business entities, trusts, foundations, and endowments. This program is not available to Qualified Retirement Plan Clients including 401k, 457, and 403(b) plans.

Funding Your Account

You have four choices to fund your account:

1. Check
2. ACH (Automated Clearing House)
3. ACAT (Automated Customer Account Transfer Service)
4. Wire Transfer

Once the Custodial Partner receives your funds you will not be able to liquidate or withdraw your account for ten business days to provide for proper check clearance. If you select ACAT as your funding choice, your assets at the previous custodian will be “transferred in-kind”. Please understand that a portion of these assets may be sold and aligned with the Model Portfolio. This may cause additional fees and/or tax ramifications for you. Consult your investment advisor prior to an ACAT transfer.

Withdrawal from the Program

You may terminate this program at any time by providing written notice to us. We do require that you have an investment advisor to participate in the program. If you are unable to find a replacement, FTJFC has the right to terminate your participation in the program.

Item 6 - Portfolio Manager Selection and Evaluation

Methods of Analysis, Investment Strategies and Risk of Loss

We will utilize specific qualitative and quantitative screening criteria to identify appropriate Strategists for the Strategist Program, including the Program Portfolio. The quantitative review focuses on performance and track record of the Strategist against various benchmarks. Our qualitative analysis reviews information surrounding the operations of the Strategists, including history, experience, firm size and structure, investment analysis and decision-making process, and portfolio risk review. Qualitative screening includes a review of each Strategist's organizational history and stability including: depth/experience of investment team and research group, investment process and strategy, internal resource allocation, legitimacy of track record, experience with taxable clients, client servicing capabilities, and other characteristics.

Each Strategist is reviewed and analyzed in detail. On an annual basis, we review the performance of each Strategist model along with any organizational changes that may have occurred during the year.

As your Investment Advisor determines which Strategist model to utilize based on your investment needs, you should consult their Investment Advisor's Form ADV Part 2A for a full description of their investment analysis to determine how the Model Portfolio selected best suits your investment needs and risk tolerance.

Risk of Loss

The description contained herein is an overview of the risks entailed in our ETF Strategist Program and is not intended to be complete. All investing involves a risk of loss and the Strategist program could lose money over short or long periods. Performance could be hurt by a number of different market risks including but not limited to:

Investing in securities is inherently risky

An investment in mutual funds and exchange-traded funds could lose money. The Strategists cannot give any guarantee that they will achieve their investment objectives or that any client will receive a return of its investment. Further, although money market funds are considered to have low risk, they are affected by other types of risk, mainly interest-rate risk and inflation risk. The underlying value of the instruments within the money market fund may change depending on the direction of interest rates.

No Guarantees

The value of your investment could decline and be worth less than the principal initially invested. And while a money market fund seeks a stable share price, its yield fluctuates. In addition, mutual funds and exchange-traded funds are not insured or guaranteed by an agency of the U.S. government. Bond funds, unlike purchasing a bond directly, will not re-pay the principal at a set point in time.

Performance-Based Fees and Side-by-Side Management

Performance based fees are fees based on a share of capital gains on or capital appreciation of the assets of a client. An advisor charging performance fees to some accounts faces a variety of conflicts because the advisor can potentially receive greater fees from its accounts having a performance-based compensation structure than from those accounts it charges a fee unrelated to performance (*e.g.*, an asset-based fee). As a result, the advisor may have an incentive to direct the best investment approach, or to allocate or sequence trades in favor of the account that pays a performance fee.

We do not charge a performance based fee.

Proxy Voting

We will not exercise proxy voting authority. The obligation to vote proxies shall at all-times rest with you. Our Custodial Partner will send all proxy information directly to you. You should contact your Investment Advisor if you have questions about voting proxies.

Item 7 - Client Information Provided to Strategists

Although the Strategists remain responsible for managing the Model Portfolios, they are not provided your individual information or investment goals and objectives, and do not have a direct relationship with you.

Item 8 - Client Contact with the Strategists

Any questions regarding the management of the Model Portfolios or your account should be directed to your Investment Advisor, or our Customer Service Representatives at 800.379.2513, option 4.

Item 9 - Additional Information

Disciplinary Information

Neither FTJFC nor our employees have been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

Other Financial Industry Activities and Affiliations

As of July 17, 2012 FTJFC is 100% owned by FundChoice Investment Holdings, LLC. ("FCIH") FCIH is controlled by Seaport Capital, LLC ("Seaport"), a private equity firm registered with the Securities and Exchange Commission. While we are affiliated with Seaport Capital, our advisory business and objectives materially differ from those of Seaport's and therefore we do not believe it presents any material conflicts of interest since Seaport does not provide any services to us or to you.

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

We have adopted a Code of Ethics ("Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, and it is predicated on the principal that we owe a fiduciary duty to you. Procedures have been adopted to ensure compliance with the provisions of the Code, including pre-approval of personal securities transactions for certain employees, annual affirmations of compliance and regular reviews of holdings and transactions. A copy of the Code is available upon request by contacting us at (859) 426-2000.

Review of Accounts

Strategists are subject to quantitative and qualitative reviews initially, and periodically thereafter. We do not perform any review of your accounts. Instead, it is up to your Investment Advisor to review your account. Please review your Investment Advisor's Form ADV Part 2A to understand their review process over your account.

For accounts where we serve as the Investment Advisor, we will review accounts on an as-needed basis.

Client Referrals and Other Compensation

We do not compensate any person for client referrals, nor do we offer or receive sales awards or prizes for providing investment advice to you.

As disclosed above, FTJFC participates in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between FTJFC's participation in the program and the services it gives to its Clients, although FTJFC receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. FTJFC receives economic benefits through its participation in the TD Ameritrade Institutional Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving FTJFC participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. These benefits include various technological tools. TD Ameritrade may also have paid for business consulting and professional services received by FTJFC's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit FTJFC but may not benefit its Client accounts. These products or services may assist FTJFC in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help FTJFC manage and further develop its business enterprise. The benefits received by FTJFC or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, FTJFC endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by FTJFC or its related persons in and of itself creates a potential conflict of interest and may indirectly influence FTJFC's choice of TD Ameritrade for custody and brokerage services.

FTJFC also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include Orion, Advisory World, Expert Plan, and Wilshire & Associates, Inc.

TD Ameritrade provides the Additional Services to FTJFC in its sole discretion and at its own expense, and FTJFC does not pay any fees to TD Ameritrade for the Additional Services. FTJFC and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

FTJFC's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to FTJFC, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, FTJFC's Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with FTJFC, in its sole discretion, provided certain conditions are not met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, FTJFC may have an incentive to recommend to its Clients that the assets under management by FTJFC be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. FTJFC's receipt of Additional Services does not diminish its

duty to act in the best interests of its Clients, including to seek best execution of trades for Client accounts.

Financial Information

FTJFC has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage your account.