

ELITE WEALTH MANAGEMENT, INC.

1014 Market Street, Suite 1000 - Kirkland, WA 98033

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This Brochure provides information about the qualifications and business practices of Elite Wealth Management, Inc. ("**Elite**"). If you have any questions about the contents of this Brochure, please contact us at +1 425 828 4300 or by email at Fariba.Ronnasi@Elitewm.com. You may also visit our website at www.elitewm.com.

The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("**SEC**") or by any state securities authority.

Elite is a registered investment adviser. Registration of an Investment Adviser does not imply that Elite or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business. The oral and written communications of an Investment Adviser provide you with information about which you determine to hire or retain an Investment Adviser.

Additional information about Elite Wealth Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

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Item 2 - Material changes

This Form ADV 2A has been updated to reflect the fact that Elite may in its discretion enter into agreements with one or more independent investment advisers for the purpose of providing investment advisory and management services for the assets of the Elite clients. In connection with this arrangement, the independent investment adviser shall have full power and authority to invest and reinvest all of the assets of the client in such securities and other instruments as the investment advisor, in its sole and absolute discretion, deems to be in the best interest of the client.

Item 4 - Advisory Business

Elite Wealth Management, Inc. (“**Elite**”, the “**Firm**”, “**we**”, “**us**” or “**our**”) is a corporation formed under the laws of the State of Washington in 2004. Elite provides investment advisory services through its Investment Advisor Representatives (“**IARs**”) to a variety of client accounts (each a “**client**” and collectively, the “**clients**”). We integrate the goals and objectives of the client using assumptions that they provide to us in order to develop our investment strategies for each client. Normally an in-depth risk tolerance questionnaire is completed by the client as part of the discovery process. Recommendations to accomplish the client’s goals based on the information provided by the client are then shared with each client and implemented if approved.

Once an investment account is established, management of the account is done through an interactive process with the client. Depending upon the needs of the client, each client is encouraged to meet with their investment advisor representative at least quarterly, semi-annually, or annually.

Appointment of a Sub-Investment Advisers

In addition to recommending direct investments in equity securities and exchange traded funds (“ETFs”) to the clients, Elite will frequently enter into a sub-advisory agreement with independent investment advisers selected by Elite. In connection with this arrangement, the independent investment advisers shall have full power and authority to invest and reinvest all of the assets of the client in such securities and other instruments as the investment advisor, in its sole and absolute discretion, deems to be in the best interest of the client.

Investment Supervisory Services:

In some situations Elite will select individual securities and form investment portfolios to match the investment objectives as stated by the client. The client is responsible for all transaction and exchange costs associated with the portfolio. Some of these individually managed portfolios will use exchange traded funds as investments.

Financial Planning

Some clients are provided a written plan that includes a personal balance sheet and certain projections. All reports, financial statement projections and analyses are intended exclusively for your use in developing and implementing your financial plan. In view of this limited purpose, the statements should not be considered complete financial statements. Accordingly, you should understand that such statements cannot be used to obtain credit or for any purpose other than developing your personal financial plan. We will not audit (examine), review or compile such statements and, accordingly we will not express an opinion or other form of assurance on them, including the reasonableness of assumptions and other data on which any prospective financial statements are based. It is likely that there will be differences between projected and actual results because events and circumstances frequently do not occur as expected and such differences may be material.

Our analyses will be highly dependent on certain economic assumptions that you must make about the future. Therefore, another important step in the process is establishing your familiarity with historical data regarding key assumptions such as inflation and investment rates of return, as well as an understanding of how significantly these assumptions affect the results of our analyses. We may counsel you as to the consistency of your assumptions with relevant historical data, but we will not express any assurance as to the accuracy or reasonableness of your specific data and assumptions. You are ultimately responsible for the assumptions and personal data upon which our procedures and projections are based.

As of May 1, 2011 Elite manages client assets, on a discretionary basis, of \$56,022,666.

Fariba Ronnasi is Elite's President and CCO and is a 100% owner of the Firm.

Item 5 - Fees and Compensation

Elite offers services on a fee-only basis. The typical management fee structure is as follows:

Asset Management Fees - based upon assets under management as follows:

- Fixed Income 1.00%
- Equity 1.00%.
- Elite Selects 1.5%

There is a \$75 minimum management fee per account, annually. This is the general fee schedule; the fees applicable to your account will be provided in your Investment Management Agreement. Fees may be negotiable at the discretion of the Firm.

Portfolios will be valued on the last day of the calendar quarter. Client portfolios are billed in advance, before services are performed. This method is described in more detail in the written investment advisory agreement.

In cases when the advisory agreement does not span the full billing period, fees are prorated from the date of inception. Fees are not rebated if an account is terminated prior to the end of the billing period. The Advisor or Client may terminate the investment advisory agreement at any time with written notice to the advisor at their main office given in Part I, question 2A of Form ADV I. Fees are negotiable.

Hourly Fees

In some cases we will perform services for clients where the cost of the service is based upon the amount of time to complete the service at an hourly rate. The rate per hour would depend upon the level of complexity of the service and personnel used on the engagement. The rate would normally not exceed \$400 per hour. The tasks and services to be performed would be described in an engagement letter that is signed by the client and Elite that describes the hourly rate, an estimate of time to complete the project and the procedure for refund or partial billing if the engagement is terminated before completion.

In addition to our fees, Clients are responsible for asset management fees paid to Custodians and broker-dealers. These fees are disclosed in the disclosure document or agreements with the TPMM and/or in account opening documents.

Mutual Fund Fees/Exchange Traded Fund Fees

The above-referenced fees charged by Elite do not include brokerage commissions and other costs related to the execution of transactions on behalf of Clients. Such costs will be paid by advisory Clients in addition to the fees discussed above. Moreover, mutual funds and exchange traded funds that are held by advisory Clients will bear their own internal transaction and execution costs, as well as directly compensate their investment managers along with internal administrative services. Some mutual funds pay 12b-1 fees, Distribution Fees, and or Shareholder Service Fees to firms that offer such mutual funds to their Clients. These charges affect the Net Asset Value of these mutual fund shares and are thus indirectly borne by mutual fund shareholders such as an Elite Client.

Some mutual fund companies have imposed a redemption fee. A redemption fee is another type of fee that some funds charge their shareholders when shares are sold or redeemed within a short period of time from the purchase of the mutual fund shares. Although a redemption fee is deducted from redemption proceeds just like a deferred sales load, it is not considered to be a sales load. Unlike a sales load, which is generally used to compensate, a redemption fee is typically used to defray fund costs associated with a shareholder's redemption and is paid directly to the fund, not to a broker. The SEC generally limits redemption fees to 2%. In most cases, the mutual funds will use the "first-in, first-out" (FIFO) method to determine the holding period. Under this method, the date of the redemption will be compared with the earliest purchase date of shares held in the account. While it is not the general practice of Elite to sell client's securities in a period that would generate a redemption fee, it should be anticipated that Elite might do so if in its opinion the sale is in the client's best interests, or mutual fund shares must be redeemed to pay fees from the account.

A complete explanation of these charges is contained in the prospectus and "Statement of Additional Information" for each mutual fund. You can get a prospectus from the mutual fund company (through its website or by telephone or mail). Your Investment Advisory Representative can also provide you with a copy.

Real Estate Investment Due Diligence

Elite or its President, Fariba Ronnasi, may from time-to-time perform due diligence on Direct Participation programs. The fee charged is normally based upon the value of the investment.

Item 6 - Performance Fees

Elite does not charge any incentive fees.

Item 7 - Types of Clients

Our clients include individuals, including high net worth individuals, pension and profit sharing plans, trusts, estates or charitable organizations and corporations and business entities.

The minimum initial investment is \$100,000. The minimum account size is \$100,000.

Types of Investments

We integrate the goals and objectives of each client using assumptions that they provide to us in order to develop our investment strategies for each client. Normally an in-depth risk tolerance questionnaire is completed by the client as part of the discovery process. Recommendations to accomplish the client's goals based on the information provided by the client are then shared with each client and implemented if approved.

Once an investment account is established, management of the account is done through an interactive process with the client. Depending upon the needs of the client, each client is encouraged to meet with their investment advisor representative at least quarterly, semi-annually, or annually.

We offer advice on investments including, but not limited to, equity securities, warrants, corporate debt, commercial paper, certificates of deposit, variable annuities, mutual fund

shares, United States government securities, option contracts on securities and interests in partnerships investing in real estate.

Item 8 - Methods of Analysis, Sources of Information, Investment Strategies Risk of Loss

Elite uses fundamental analysis. The main sources of information used by Elite include:

- Financial newspapers and magazines
- Research materials prepared by others
- Annual reports, prospectuses, filings with the SEC
- Company press releases

Investment strategies used to implement investment advice include:

- Long-term purchases (securities held at least a year)
- Short-term purchases (securities sold within a year)
- Trading (securities sold within 30 days)
- Short sales
- Margin transactions
- Option writing, including covered options, uncovered options or spreading strategies

Risk Factors

Note: All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. These risks include market risk, interest rate risk, issuer risk, and general economic risk. Although we manage the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the risk of loss.

Item 9 - Disciplinary Information

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management. Elite has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no persons involved in the management of the Firm have been subject to such action.

Item 10 - Other Financial Industry Activities and Affiliations

Fariba Ronnasi, President and CCO of Elite Wealth Management, Inc. is Director of Investor Relations and CCO at Lattice Capital Management, LLC, an affiliated company. Lattice Capital Management, LLC and Elite share office space and certain employees which may at times create conflicts of interest and limit investment activities.

Fariba Ronnasi is the Managing Member of Pirouz LP, a partnership that invests in illiquid private placements.

Item 11 - Code of Ethics, Participation/Interest in Client Transactions, Personal Trading

Code of Ethics Pursuant to Rule 204A-1

We recognize and believe that (i) high ethical standards are essential for its success and to maintain the confidence of its clients; (ii) its long-term business interests are best served by adherence to the principle that the interests of clients come first; and (iii) it has a fiduciary duty to its clients to act solely for their benefit. All Elite employees must put the clients' interests before their own personal interests and must act honestly and fairly in all respects in dealings with clients. All Elite employees must also comply with all federal securities laws.

Participation or Interest in Client Transactions

From time-to-time the interests of the principals and employees of Elite may coincide with those of a client. Individual investments may be bought, held or sold by a principal or employee of Elite that is also recommended to or held by a client. If potential insider information is inadvertently provided or learned by a principal or employee, it is the policy of Elite to strictly prohibit its use.

It is our policy to permit the Firm, its employees and IARs to buy, sell and hold the same securities that the IAR also recommend to clients. It is acknowledged and understood that Elite performs investment services for various clients with varying investment goals and risk profiles. As such, the investment advice may differ between clients and investments made by Elite IARs. Elite has no obligation to recommend for purchase or sale a security that Elite, its principals, affiliates, employees or IARs may purchase sell or hold. When a decision to liquidate a security from all applicable accounts, priority would always be given to the client's orders before those of a related or associated person to the advisor. Elite has procedures dealing with insider trading, employee related accounts, "front running" and other issues that may present a potential conflict when such purchase, sales or recommendations are made. In general, these policies and procedures are intended to eliminate, to the extent possible, the adverse effect on clients of any such potential conflicts of interest.

As stated above, we have a Code of Ethics designed to prevent violations of securities rules and will provide a copy to clients upon their request.

Individual Real Estate Projects

The owner of Elite, Fariba Ronnasi, has in the past and may in the future invest in real estate through an LLC along with several clients. Ms. Ronnasi or Elite does not solicit clients of Elite to invest in this investment. Ms. Ronnasi is neither the manager of or advisor to the real estate project nor was she the sponsor or organizer of the LLC; rather she is a passive investor alongside others, some of who are coincidentally clients of Elite for investment advisory services covering other investments.

Investment in Start-up Companies/Private Placements

From time to time Ms. Ronnasi may personally come across opportunities to invest in start up companies/private placements, and may invest in these companies alongside others, some of who are coincidentally clients of Elite for investment advisory services covering other investments. Fariba Ronnasi is the Managing Member of Pirouz, an LLC established for such investments and she receives no compensation for this role.

Allocation of Limited Investment Opportunities

Investment opportunities are allocated to qualified clients based upon the investment's suitability and the client's risk tolerance, financial goals and investment time horizon. In the case of Direct Participation Programs where the availability may be limited and there often is minimum investment amount and a closing date specified by the program, notification of the opportunity will be made among qualified clients on a rotating alphabetical basis and investments allocated on a first to respond basis.

Personal Trading

We have adopted a Code of Ethics governing personal trading by its employees. Among other requirements, the Code of Ethics requires employees who have access to client portfolio information or Elite's non-public securities recommendations to report their personal securities transactions and holdings to Elite, and Elite is required to review such reports. All Elite employees are required to pre-clear their personal trades and the CCO shall conduct a quarterly review of such trades.

Additionally, all Elite employees must complete an Initial Holdings Report and Annual Holdings Report confirming the existence and location of any Covered Accounts, as defined by the Code of Ethics.

Clients or prospective clients may obtain a copy of the Code of Ethics by contacting Fariba Ronnasi (CCO) by email at Fariba.Ronnasi@Elitewm.com, or by telephone at +1 425 828 4300.

Item 12 - Brokerage Practices

Elite or one of the sub-advisers appointed by Elite, may buy and sell securities for some of its clients' accounts via a limited power of attorney granted by the client. There are no restrictions placed upon Elite that limit which security may be purchased or sold on behalf of the client or the amount of any security purchased, sold or held in a client's account unless specifically identified in writing in the client's statement of investment policy or client service agreement.

Although it is not common practice, if we believe it is in the best interest of the client(s), we may choose to execute a transaction away from the custodian chosen by the client.

Neither Elite nor its representatives will have the authority to withdraw funds or to take custody of client funds or securities except for normal quarterly investment management fees.

Brokerage Discretion

We may suggest that clients use a particular custodian and/or broker-dealer. The criteria for suggesting a broker/dealer include reasonableness of commissions, and other costs of trading, ability to facilitate trades, access to client records, computer trading support, and other operational considerations. These factors will be reviewed from time to time to assure the best interests of the client are upheld.

Elite maintains a custodial arrangement with an independent and unaffiliated SEC-registered broker-dealer and FINRA member. Elite receives economic benefits through its participation in a select program with the custodian that are typically not available to traditional retail investors. Through our arrangement with the custodian, the custodian offers custody of securities, trade execution, clearance and settlement of transactions.

Elite may require that clients establish brokerage accounts with the custodian to maintain custody of clients' assets and to effect trades for their accounts. The custodian also makes available to Elite other products and services that benefit Elite but may not benefit its clients' accounts. Some of these other products and services assist Elite in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of Elite's fees from its clients' accounts, and assist with back-office support, recordkeeping and client reporting.

The custodian may also provide Elite with other services intended to help manage and further develop Elite's business enterprise. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the custodian may make available, arrange and/or pay for these types of services to Elite by independent third parties. The custodian may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Elite. The availability to Elite of the foregoing products and services is not contingent upon Elite committing to the custodian any specific amount of business (assets in custody or trading).

The benefits received by Elite or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to the custodian. As part of its fiduciary duties to clients, the firm endeavours at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Elite or its related persons in and of itself creates a potential conflict of interest *and may indirectly influence Elite's choice of the custodian for custody and brokerage services.*

Elite or its President Fariba Ronnasi may be compensated from direct participation programs that Elite recommends its clients to invest in.

Item 13 - Review of Accounts

We will review client accounts on at least an annual basis to compare the client's account performance to their stated goals.

Elite will attempt to contact the client at least quarterly, and will make written inquiry regarding changes in the client's financial situation and needs or investment objectives. In addition, Elite will attempt to meet with the client at least annually to review any changes in the client's financial situation, needs or investment objectives, as well as the performance of the programs managed by the third party investment adviser(s).

The client will receive statements regarding their account, its holdings, transactions and fees at least quarterly. Account custodians or money managers may prepare and distribute the statements from the custodian of the particular client account.

Elite does not manage, oversee or report upon a client's investment in Direct Participation Programs or any investment not specifically listed on the monthly statement from the account custodian unless specifically agreed to in writing by the Client and Elite.

Item 14 - Client Referrals and Other Compensation

Elite may, from time to time, enter into written agreements with certain individuals and entities who will act as solicitors of accounts for Elite. Each solicitor must enter into a written agreement with Elite and will receive a portion of the total fee paid to Elite for managing the account. The client is not charged any additional amount in advisory fees as a result of these arrangements. An additional disclosure statement, listing compensation to be paid to solicitors, is provided to the Client prior to or at the signing of Elite's Investment Advisory Agreement.

Elite may receive client referrals from the custodian through its participation in a specific referral program run by the custodian. As explained above, the custodian is a discount broker-dealer independent of and unaffiliated with Elite and there is no employee or agency relationship between them. The custodian has established the referral program as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. The custodian does not supervise Elite and has no responsibility for Elite's management of client portfolios or Elite's other advice or services.

Elite pays the custodian an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Elite ("**Solicitation Fee**"). Elite will also pay the custodian the Solicitation Fee on any advisory fees received by Elite from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Elite on the recommendation of such referred client. Elite will not charge clients referred by the custodian any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to the custodian to its clients. For information regarding additional or other fees paid directly or indirectly please contact Fariba Ronnasi.

Elite's relationship with the custodian raises potential conflicts of interest. The custodian will most likely refer clients to investment advisors that encourage their clients to custody their assets at the custodian and whose client accounts are profitable to the custodian. Consequently, in order to obtain client referrals from the custodian, we may have an incentive to recommend to clients with substantial assets managed by Elite be held in custody with the custodian and to place transactions for such client accounts with the custodian. In addition, Elite has agreed not to solicit clients referred to it from the custodian, to transfer their accounts from the custodian or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Elitewill always seek best execution of trades for client accounts.

Please see Item 12 above regarding Additional Compensation. As explained, Elite or its President Fariba Ronnasi may be compensated from direct participation programs that Elite recommends its clients to invest in.

Item 15 - Custody

The amended and revised Rule 206(4)-2 of the Advisers Act sets forth extensive requirements regarding possession or custody of client funds or securities. The Rule requires advisers that have custody of client securities or funds to implement a set of controls designed to protect those client assets from being lost, misused, misappropriated or subject to financial reverses.

Advisers with custody of client funds and securities must maintain them with “Qualified Custodians.” “Qualified Custodians” under the amended rule include banks and savings associations and registered broker-dealers.

Elite may in some cases be authorized to deduct fees by direct debit, and therefore be deemed to have custody of client funds. However, Elite does not maintain direct custody or possession of any of its client’s funds or securities and has a custodial arrangement with any independent custodian (as discussed above). Through this arrangement the custodian will provide among other things, clearing, custodial and record keeping services. Clients will receive account statements from the qualified custodian and should carefully review those statements

Item 16 - Investment Discretion

We obtain discretionary investment authority over all assets we manage pursuant to powers of attorney granted by our investment management agreements.

Item 17 - Voting Client Securities

It is the policy of Elite not to assume the duty to vote proxies for securities held by clients in managed accounts. In clients accounts directly managed by Elite, the client will retain the right and obligation to vote any proxies solicited by or with respect to securities held in their account, including any shares of mutual funds or assign that right to a third party. Clients will receive their proxies or other solicitations directly from the custodian. Clients may contact Elite with questions about a particular solicitation.

In the situation where the client or Elite has chosen a Third Party Money Manager to perform the day-to-day portfolio management, the responsibility to vote the proxies normally rests with the Third Party Money Manager unless that right has been retained by the client.

Clients may obtain a copy of Elite's Policies by contacting Fariba Ronnasi, Elite’s President and Chief Compliance Officer (“CCO”), at +1 425 828 4300 or by email at Fariba.Ronnasi@Elitewm.com.

Item 18 - Financial Information

We are not required to provide a balance sheet in response to this item and are not subject to any financial condition that is reasonably likely to impair our ability to meet our financial obligations to our clients.