

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page



FORM ADV Part 2A
March 31, 2014

This Brochure provides clients with information regarding Meridian Asset Management, LLC (Meridian) and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory client of Meridian. Please contact us at 801-269-6704 or blake@meridianasset.com with any questions or comments regarding the contents of this brochure. 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 but has been sent to the United States Securities and Exchange Commission.

Meridian is an SEC registered investment advisor. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you would use for determining whether to hire or retain an Adviser.

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www.meridianasset.com

Item 2 Material Changes

SEC Rules require all advisors provide a disclosure document to their clients; as of July 28, 2010 the United States Securities and Exchange Commission changed this requirement to include a “plain English” brochure containing information about our firm. This Brochure dated March 31, 2014 has been updated to meet those requirements and also includes material changes regarding Meridian Asset Management, LLC’s Privacy Policy.

There were no material changes

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Item 4 Advisory Business

Meridian Asset Management, LLC is a privately owned independent SEC-Registered Investment Adviser based in Salt Lake City, Utah which was formed in 1997 by Marcus G. Pinnock and Jonathan H. Pinnock as principal owners. In 2002, Christian R. Dorst joined the firm as Chief Investment Officer and Jonathan H. Pinnock resigned his interest. Blake F. Emmett joined the firm as Chief Compliance Officer and minority member in 2007. Meridian Financial Holdings, LLC bought 49% of the company in 2012 leaving Marcus Pinnock and Blake Emmett as minority members. Christian R. Dorst remains as Chief Investment Officer but sold his interest and entered into an incentive employment agreement. Meridian Financial Holdings, LLC is managed by Mr. Richard Reichler, Esq. of New York City, New York. A summary of his employment history is as follows:

Richard Reichler, Esq

MELTZER, LIPPE, GOLDSTEIN & BREITSTONE (1999 – Present)

Of Counsel with practice specialty in corporate and partnership taxation, real estate taxation and executive and employee compensation

KEYSPAN CORPORATION (1992 – 1999) Vice President, Tax Planning and Services

ERNST & YOUNG (1968 – 1992) National Director of Executive Compensation Planning and New York Regional Partner in Charge of Tax Benefit Planning

ERNST & YOUNG (1968 – 1992) Senior Tax Partner

Specialty in Executive compensation planning, tax benefit planning corporate restructuring, partnerships, real estate taxation and taxation of foreign income

Asset Management Services

A. Non Discretionary Sub-Adviser Consulting Services

Meridian provides sub-advising consulting services which can be defined as giving investment advice to financial advisers, advising them on investments available to their clients within an investment plan or other financial product. Through this service, Meridian offers advice on a general basis to the adviser. Typically, Meridian provides services to financial representatives of individual clients or businesses and trusts. A general investment recommendation is provided to the financial representative, but implementation of the recommendation is the responsibility of the financial representative and client.

If the client decides to act upon any of Meridian's advice, it will be the client's responsibility to implement the recommendation. Meridian will not have trading authorization for any of client's accounts and Meridian will not have direct access to those accounts. At no time will Meridian ever have direct access to client funds and securities. The client's qualified custodian will maintain custody of all funds and securities.

B. Advisory and Sub Advisory Service Programs with Discretionary Authority

Commonwealth Financial Network's (Commonwealth) Preferred Portfolio Services' Mutual Fund Program (PPS Direct).

Amongst its Advisory Service Programs, Meridian provides an investment advisory service to clients through Commonwealth Financial Network's (Commonwealth) Preferred Portfolio Services' Mutual Fund Program (PPS Direct). Through this relationship with Commonwealth, Meridian acts as a sub-adviser in PPS Direct. Meridian's sub-adviser services in PPS Direct may only be provided to clients of Commonwealth representatives.

Clients establishing accounts through PPS Direct do not enter into an agreement directly with sub-advisor. Instead, a representative of Commonwealth will assist the client with the establishment of a PPS Direct account, including the selection of possible sub-advisers, such as Meridian. The agreement for services and account paperwork will be completed by the client with the assistance of the Commonwealth representative. The Commonwealth representative will obtain the necessary financial data from client, assist the client in determining the suitability of the PPS Direct Account, and help the client to set the appropriate investment objectives. Commonwealth will then provide all necessary information to Meridian. The Commonwealth representative may meet periodically to review the client's financial situation, investment objectives, and current portfolios and then make any necessary changes which will be sent to Meridian.

For the Commonwealth PPS Direct Program Meridian creates portfolios primarily utilizing open-end mutual funds created and managed by independent third party advisors. Meridian PPS Direct portfolios typically consist of three to fifteen mutual funds and a small allocation percentage in cash. At the request of the Commonwealth advisor Meridian may also customize portfolios to fit the unique needs and situations for clients. Certain clients under the PPS Direct have permitted Meridian to implement programs utilizing securities registered under Investment Company Act of 1940 such as, exchange traded funds (ETFs), business development companies (BDCs), as well as open ended investment companies (mutual funds) and tax pass through investment vehicles such as master limited partnerships (MLPs) and real estate investment trusts (REITs). Meridian selects the securities which comprise the portfolios that the firm believes are most suitable and consistent with the investment philosophy of the firm. Meridian is not obligated to use any specific security in the creation of the portfolios as Meridian is not affiliated with any fund or security.

Meridian will have the power and authority, as granted by Commonwealth and client, to manage the client's PPS Direct Account. Meridian executes all transactions in each PPS Direct Account through Commonwealth on a discretionary basis.

Further details regarding PPS Direct are disclosed in the Commonwealth Form ADV (or similar disclosure brochure) and PPS Direct client agreement which clients receive prior to establishing a PPS Direct Account.

C. Meridian's Direct Advisory and Sub Advisory Programs

Direct Advisory Program

Meridian provides asset management services which can be defined as giving continuous investment advice to individual clients and making investments for the client based on the individual needs of the client.

Clients electing to hire Meridian for its asset management services must enter into an Asset Management Agreement. Upon execution of the Asset Management Agreement, an investment adviser representative of Meridian will be granted trading authorization over the client's account on either a discretionary or non-discretionary basis. At no time will Meridian ever have direct access to client funds and securities. The client's qualified custodian will maintain custody of all funds and securities. Direct Advisory clients are managed utilizing the Meridian Bespoke Constant-Weighting Sector Allocation and /or the US & Global Equity Research's (USGER) Risk Mitigation Program methodologies. In addition, clients may elect to permit the inclusion of the shares of recommended companies.

Meridian provides the above advisory services acting as a sub-adviser to various broker-dealers and registered investment advisors ("RIA"). Meridian offers these programs and investment supervisory services to clients who are referred to Meridian's services through investment adviser and registered representatives of unaffiliated independent Broker-Dealers and Registered Investment Advisers. In addition, Meridian may provide these services to clients obtained directly through its own investment adviser representatives. Clients obtained through the firm's investment adviser representatives' efforts may obtain financial planning as part of the services provided by Meridian.

Meridian Bespoke Constant-Weighting Sector Allocation

Meridian's Bespoke Constant-Weighting Sector Allocation Program (Bespoke Program) seeks to invest in companies within US economic sectors that Meridian believes provide above average market returns while limiting risk. The Bespoke Portfolio targets pooled securities like ETFs that have a high number of shares actively traded on the open market and represent one of these six areas of the economy: Technology, Healthcare, Energy, Financials, Transports and Gold/Metals. Meridian uses its research to choose these economic areas while targeting a high level of diversification between its investments while maintaining a targeted correlation between sectors. Meridian's proprietary software systems constantly rebalance the portfolio based upon targeted gains and losses. The goal of this strategy is to not only mitigate risk, but generate greater returns than the S&P 500 during both a growing market and declining market while maintaining risk and style characteristics similar to the S&P 500.

US & Global Equity Research's (USGER) Risk Mitigation Program

Meridian Financial Holdings, LLC (MFH) through its affiliate US & Global Equity Research (USGER), has developed a proprietary system which seeks to reduce the risk of loss to a portfolio stemming from economic conditions such as experienced in 2007-09. USGER, provides analytical information and recommendations to clients of Investment Professionals including those of Meridian who manage substantial portfolios. Utilizing only the three most actively traded ETFs (SPDR, QQQ and DIA) the system sets out to mitigate portfolio loss caused by unforeseen events, mainly large economic downturns. USGER Portfolio Risk Mitigation Program's (the 'Program') main strategy is to achieve portfolio growth using the above Bespoke Sector program while limiting exposure to unexpected market events which reduce a portfolio's overall value. Ashland Partners & Company LLP, the leading accounting firm for GIPS verification, has audited USGER's five-year performance. This audited report demonstrates USGER's performance of five consistent years of returns averaging no less than 31% after fees. USGER's five year performance record is based on making on average less than two (2) trades per month.

Item 5 Fees and Compensation

Sub-Adviser Services

PPS Direct Account participants will pay an annualized investment advisory fee with the following fee Schedule:

Account Size	Maximum Annual Fee (Quarterly Fee)
First \$100,000.	2.00% (.50%)
Next \$100,000.	1.70% (.425%)
Next \$300,000.	1.50% (.375%)
Next \$500,000.	1.30% (.325%)
Next \$1,000,000.	1.10% (.275%)
Next \$3,000,000.	0.90% (.225%)
\$5,000,000+.	NEGOTIABLE (Negotiable)

Meridian's portion of the annual fee does not exceed 0.30% of the total fee with the remaining amount retained by Commonwealth and the Commonwealth representative.

The investment advisory fee is charged by Commonwealth and payable in advance and computed as one-quarter of the annual fee percentage, based on the PPS Direct Account balance on the last business day of the previous calendar quarter. The initial quarterly fee will be prorated and the remainder of the quarters will be billed at the standard fee. The annual fee may be negotiated with the Commonwealth representative, but may not exceed the maximum fees listed in the table above. Advisory fees are billed and collected by Commonwealth.

Adviser does not receive any portion of brokerage commissions or transaction fees charged to the client in a PPS Direct Account. In addition, clients may incur certain charges imposed by Commonwealth and other third parties, other than Meridian, in connection with investments made through the PPS Direct Account, including but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Commonwealth may also charge initial portfolio development and administrative fees. Management fees received by Adviser are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

A. Advisory Services Fees

The Solicited Direct Client

The Direct Client is charged Meridian's fee of 1% of all assets under management. A portion of Meridian's fee or an additional fee is deducted from the client account and paid to the Solicitor. The client is also charged a custodian fee and may incur transaction costs such as, but not limited to, wire fees, commissions and termination fees. In addition, the client pays fees and expenses related to the mutual funds and the exchange traded funds. A description of the fees and expenses can be found in each fund's prospectus.

The Solicited Sub Advisory Client

Meridian will charge an annual fee based on the client's assets under management. Meridian's standard fee schedule, (which may, in certain circumstances be negotiable), is as follows:

Account Size	Maximum Annual Fee
\$0 to \$1,000,000	0.50%
\$1,000,001 to \$3,000,000	0.45%
\$3,000,001 to \$5,000,000	0.40%

The solicitor will receive an additional fee which is disclosed to the client in the solicitor's disclosure statement. The solicitor's disclosure statement is part of Meridian's investment advisory agreement. Accounts in excess of \$5,000,001 can be priced on a case-by-case basis. Accounts over \$5,000,001 will be priced at 0.40% unless negotiated between parties. Meridian reserves the right to alter its fee at its discretion. A change of fee can be established by written notification to the client. The above fee schedule applies to Outside Qualified Plans which do not fall under the same category of the Meridian Retirement Program.

Meridian Account Retirement Program

The progressive fee schedule is 35 basis points on the first \$1,000,000.00 in assets under management, 32 basis points on the next \$2,000,000.00 in assets under management and 30 basis points on assets in excess of \$3,000,000.00 in assets under management. Meridian has the ability to charge a flat fee or alter this schedule on a case-by-case basis.

Annuity

Meridian's fee is encompassed within that fee and is .05% of the total assets of the variable annuity subaccounts for which Meridian is providing services.

Institutional

Institutional accounts are priced on a case by case basis.

B. Fees Calculation and Process

Fees are generally billed quarterly in advance based on the quarter-end values of a client's account on the last trading day of the quarter. The first quarter's fee will be based on the client's initial assets under management and pro-rated from the date the assets are traded in the account. Should an account be terminated the fee will be reimbursed on a pro rated basis based on the ending value of the previous day market value. Per the advisory contract, the client directs the firm to direct the custodian to deduct fees from the account.

Meridian's, and if applicable, Solicitor's or Investment Adviser Representative's compensation for services shall be calculated as follows:

Market Value on last day of Quarter x Annual Fee Percentage for Meridian and, if applicable,

Solicitor or Investment Adviser Representative = Annual Fee Amount.

Annual Fee Amount / 4 = Quarterly Fee Amount.

The Market Value of the accounts is determined by the custodians on the appropriate day at quarter end.

Meridian's only source of compensation is the fee of their investment advisory/management services. The client may see additional fees for related services that are not provided by Meridian, including, but not limited to, administration, custody, transaction and mutual fund fees. The cost of any such other related service(s) is not included as part of Meridian's compensation. Meridian can temporarily waive all trading costs incurred by client. The client may request that related accounts be combined in order to meet fee break points and reduce the advisory fee charged. We reserve the right to waive the advisory fee for the accounts of employee accounts and personal accounts of solicitors who refer business to us.

Standard fee schedules and minimum account sizes indicated for the investment management services are negotiable and as a result, clients with similar assets may have differing fee schedules and pay different fees. Clients who negotiate a flat fee schedule may or may not pay a higher fee than those who pay under a tiered schedule, depending on asset levels. Clients will be charged a fee on all assets (securities, cash and cash equivalents), in the account unless otherwise agreed upon between parties.

C. Custodian Fees and Other Expenses

Where Meridian acts as a sub-adviser, Meridian will be paid an ongoing annualized fee by the broker-dealer and RIA programs. These RIA and broker-dealer fees are paid in advance based on the quarter-end values of clients' accounts on the last trading day of the quarter. Therefore, Meridian will rebate fees as instructed and when necessary according to the respective programs' policies and procedures. Management fees charged by Meridian are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Either party may terminate the Asset Management Agreement at any time. If services are terminated within five (5) business days of executing the Asset Management Agreement, services will be terminated without penalty and no fees shall be due. If services are terminated after the initial five day period, any fees due will be prorated and billed to the client. In the event a client terminates services, termination shall be effective from the time Adviser receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final payment of advisory fees. There will be no penalty charge upon termination. In the event

Adviser terminates the relationship, the Asset Management Agreement will be terminated on the fifth day after written notification is delivered to the client or such time as may be mutually agreed upon, also subject to the settlement of transactions in progress and the final payment of advisory fees. Clients may not assign the agreement for services without Meridian's prior consent; nor shall Meridian make any assignment except as permitted in the Investment Advisers Act of 1940, as amended of the Asset Management Agreement.

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

Meridian does not charge performance-based fees (fees based on a share of the capital increase due to market performance of a client's assets) nor does Meridian practice side-by-side management (running two distinct classes of investment vehicles with the same managers).

Item 7 Types of Clients

Meridian provides advisory services to individuals, families, businesses, trusts, estates, charitable institutions, pension and profit sharing plans, financial institutions, and other financial advisers and firms as a sub-adviser.

Commonwealth normally requires a \$50,000 minimum investment in all PPS Direct Accounts. Account minimums may be negotiated at the discretion of Commonwealth and Meridian. For clients opening an Asset Management account, no specific dollar amount is required. However, Meridian reserves the right to terminate the Asset Management Agreement with a client on any account in which the asset value falls below \$25,000.

For all accounts not originated through Commonwealth the account minimums may be negotiated at the discretion of Meridian.

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

Sub-Adviser Services

For accounts originated through Commonwealth representatives Meridian offers a suite of allocation models in five different PPS Direct accounts: Aggressive, Growth, Moderate, Capital Preservation, and Fixed Income. Meridian PPS Direct accounts vary only in their allocation between equity, fixed income, neutral assets, or cash.

The equity allocation of each PPS Direct account provides exposure in equity positions across all market capitalizations and styles to provide a high level of diversification. The PPS Direct accounts are designed specifically to achieve long-term capital appreciation while mitigating risk through fixed income positions. The bond positions therefore take little downside risk and serves as a function to mainly provide a buffer against adverse price movements in the equity markets. Clients are periodically rebalanced to maintain a desirable blend of equities and fixed income allocations. Meridian PPS Direct accounts utilize a passive, broadly diversified, and low-cost model that can be used in conjunction with outside assets or as a standalone portfolio. The percentage blend is based on account type as follows:

Aggressive—

The Meridian Aggressive Portfolio seeks to deliver a high level of long-term excess returns driven by diversified investments in equity positions across all market capitalizations and styles. The Meridian Aggressive Portfolio is typically invested in at least 90% equities, but can reach as high as 100% if appropriate for a given client.

Growth—

The Meridian Growth Portfolio seeks to achieve a meaningful total return through an active balance of equities and fixed income investments that focuses on capital appreciation and mitigates risk through fixed income investments. The portfolio is typically invested in at least 75% equities, but may reach as low as 50% or may exceed 75% if appropriate for a given client.

Moderate—

The Meridian Moderate Portfolio balances equity and fixed income allocations to deliver a regular income stream with potential for capital appreciation. The portfolio is typically allocated with about 50% equities, but may reach as low as 25% or may exceed 50% if appropriate for a given client.

Capital Preservation—

The Meridian Capital Preservation Portfolio seeks to provide attractive risk-adjusted returns with a heavy emphasis on capital preservation. The portfolio is typically invested in no more than 25% equities, but may fall below 25% if appropriate for a given client.

Fixed Income—

The Meridian Fixed Income Portfolio invests primarily in fixed income securities with access to a wide universe of investment grade products, including U.S. government securities and corporate debt securities. The Portfolio is typically invested in 100% fixed income.

Asset Management Services

Meridian offers a customized and individualized investment program for its asset management services clients. A specific investment strategy and investment policy is crafted to focus on the specific client's goals and objectives. The strategy is based upon the client's risk tolerance, time horizon, age, financial situation and other factors as noted on the client's asset management agreement.

Sub-Adviser Consulting Services

Meridian provides general investment recommendations based on available investment options in a particular investment plan for financial representatives.

Methods of Analysis

Meridian's investment methodology is to invest in assets that generate an expected return above the risk-free rate.

Meridian analyzes global trends, economic environment, and geopolitical landscape to determine the potential impact on various sectors and asset classes. Portfolios are constructed within the client's risk tolerance parameters to anticipate low-probability but high-impact events, and to take steps to manage those risks (Meridian Bespoke Constant-Weighting Sector Allocation and Meridian Risk Mitigation Program). Meridian utilizes a flexible, concentrated approach with a willingness to maintain overweight positions in certain sectors, while having limited or no exposure to

other sectors. Exchange-traded funds, mutual funds, and/or equities are utilized to capture exposure to various asset classes and provide appropriate diversification to achieve the targeted investment goals.

In order to accomplish the aforementioned, Meridian utilizes both quantitative and qualitative factors in assessing risk. In conducting quantitative analysis, we review various metrics such as risk-adjusted returns, sector correlation, up/down market capture and dispersion. While quantitative research is a valuable tool that helps narrow a broad universe, we consider qualitative research the more critical component of our manager's due diligence process.

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear. Meridian in no way guarantees performance or results.

Item 9 Disciplinary Information

On October 4, 2004 the State of Utah and Meridian agreed to a stipulation and consent order. The State of Utah found that Meridian had allowed its state registration to lapse for the years 2002-2004 and ordered Meridian to pay a \$5,000 fine for acting as an unregistered investment adviser.

Item 10 Other Financial Industry Activities and Affiliations

Advisor's Managing Member, Marcus G. Pinnock is a registered representative and investment adviser representative with Commonwealth Financial Network, a dually registered broker/dealer, member FINRA/SIPC, and an SEC registered investment advisor. Mr. Pinnock spends approximately 90% of his time in this capacity. In addition, Mr. Pinnock is an Executive Committee Member of Sterling Financial Group. Sterling Financial Group is a conglomerate of independent financial planners acting as representative of Commonwealth. Mr. Pinnock also is a passive member in MTC Partners. MTC Partners invests in real estate development.

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

Meridian is and shall continue to be in compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Meridian and its associated persons may buy or sell for their personal accounts, investment products identical to those recommended to clients. It is the express policy of Meridian that no person employed by Meridian may purchase or sell any security prior to a transaction being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

Section 204A-1 of the *Investment Advisers Act of 1940* requires all investment advisers to establish, maintain and enforce a Code of Ethics. Adviser has established a Code of Ethics that will apply to all of its associated persons. An investment adviser is considered a fiduciary according to the *Investment Advisers Act of 1940*. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of its clients at all times. Meridian has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for the advisor's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. Meridian requires all of its supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand and agree to comply with the advisor's Code of Ethics. Meridian has the responsibility to make sure that the interests of all clients are placed ahead of Meridian's or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. Meridian and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of advisor's Code of Ethics. However, if a client or a potential client wishes to review Advisor's Code of Ethics in its entirety, a copy will be provided promptly upon request.

Item 12 Brokerage Practices

Sub-Adviser Services

For client's electing to open a PPS Direct Account, Commonwealth will be used as the broker/dealer. Commonwealth has a wide range of approved securities products for which Commonwealth performs due diligence

prior to selection. Commonwealth's registered representatives and Meridian are required to adhere to these products when implementing securities transactions through Commonwealth. Commonwealth typically clears its Accounts through National Financial Services, LLC, (NFS) pursuant to a relationship between Commonwealth and NFS. Commonwealth reserves the right to designate alternative clearing and custody arrangements similar to those of NFS.

Asset Management Services

For clients contracting for Meridian's Asset Management Services, Meridian may require the client to establish an account through a specific broker/dealer. The recommendation of any other broker/dealer is based on past experiences, minimizing commissions and other costs as well as offerings or services the broker/dealer provides that the adviser or client may require or find valuable such as online access. Clients may pay commissions higher than those obtainable from other broker/dealers in return for those products and services. Commission and fee structures of various broker/dealers are periodically reviewed to ensure clients are receiving the best execution. Any broker/dealers with excessive fees and commissions are not recommended. Accordingly, while Meridian will consider competitive rates, it may not be necessary to obtain the lowest possible commission rates for client account transactions. Therefore, the overall services provided by the broker/dealer are evaluated to determine best execution. Recommendations of broker/dealers by Meridian are not influenced by any soft dollar arrangements.

Meridian receives research tools such as Morningstar from its relationship with Commonwealth that enable Meridian's advisory service and research.

Item 13 Review of Accounts

Sub-Adviser Services

PPS Direct Accounts are reviewed on an annual basis. Each client will be contacted by their Commonwealth representative on a quarterly basis to determine if the client is comfortable or satisfied with their portfolio. The Commonwealth representative will notify Meridian of any changes that need to be made in the PPS Direct Account. Meridian will make recommendations to the client for transactions necessary to re-allocate the client's portfolio to a model which more accurately reflects the client's new level of satisfaction or risk tolerance. If the client indicates to the Commonwealth representative that they are satisfied with their portfolio allocation, Meridian will make recommendations to the client for transactions necessary to rebalance their portfolio to the existing model.

Investment Committee

The Investment Committee's overall purpose is to coordinate and oversee the organizations investment portfolio strategy. The Investment Committee seeks to ensure the best interest of the Client in order to achieve the investment objective(s) identified by the client, without regard to holding period, portfolio turnover or resulting gain or loss. The Investment Committee may make allocation recommendations to maintain trading flexibility and/or market exposure, or to enhance diversification as it deems to be in the client's best interest to achieve the investment objective(s) identified by each Program's mandate.

The following are the duties and responsibilities of the Investment Committee:

- To review the investment policies, strategies, and programs of Meridian
- To review the procedures which the Company utilizes in determining that funds are invested in accordance with policies and limits approved by the Investment Committee from time to time.
- To review the quality and performance of the investment portfolios of the Clients and the alignment of asset duration to liabilities.
- Evaluate the recommendations of the chief investment officer on general strategic policy.
- To review and reassess the adequacy of the research materials being utilized by the proprietary trading systems To evaluate its own performance Quarterly.

Asset Management Services

Asset Management Services accounts are also reviewed on a quarterly basis. The calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in client circumstances, client request, or unusual market activity.

The underlying portfolios used to manage all client accounts and holdings within those portfolios are reviewed on a more frequent basis. Portfolios are usually reviewed as frequently as daily, but no less than monthly. Triggering factors for changes to underlying portfolios include the relative valuation changes between asset classes, deviation from management style by fund, or fund closures.

Christian Dorst is in charge of reviewing all accounts and making recommendations for accounts to the investment committee. The investment committee either accepts or rejects Christian's recommendations, but makes no specific recommendations, until account allocations can be agreed upon. Once allocations are agreed upon by the investment committee and Christian Dorst's recommendations, Christian Dorst and Blake Emmett implement all changes to accounts. Mr. Dorst and Mr. Emmett are responsible for providing all investment advice on behalf of Meridian.

Item 14 Client Referrals and Other Compensation

While Marcus G. Pinnock does not provide investment advice on behalf of Adviser, Mr. Pinnock is licensed as a registered representative and investment adviser representative with Commonwealth Financial Network. In his separate capacity as a registered representative, there is the potential for Mr. Pinnock to sell securities to clients of Adviser for commissions. This situation could present a conflict of interest since Adviser could receive fees and Mr. Pinnock could receive commissions if the client chooses to have an account with Adviser and a separate account with Mr. Pinnock.

Item 15 Custody

Meridian currently does not maintain custody of client assets, however may deduct fees from those accounts at brokersExpress based on the agreed upon fee schedule. Clients will receive statements at least quarterly from the custodian at which their accounts are maintained. In addition, clients may elect to receive quarterly or on-demand position and performance reports from Adviser. Commonwealth may deliver quarterly or on-demand position and performance reports for PPS Direct Accounts.

Item 16 Investment Discretion

Upon receiving written authorization from the client, Meridian may provide discretionary investment advisory services for client accounts. When discretionary authority is granted, Meridian will have the authority to determine the type of securities and the amount of securities that can be bought or sold for the client portfolio without obtaining the client's consent for each transaction. Meridian will only buy and sell those securities that meet the risk tolerance and investment time horizon objectives of the client. Regarding limitations on the amount of securities to be bought and sold, the amount of securities bought or sold will be based on the cash value in an account.

Transactions implemented by Meridian for client accounts are generally effected independently, unless Meridian decides to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by Meridian when we believe such action may prove advantageous to clients. When Meridian aggregates client orders, the allocation of securities among client accounts will be done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Meridian's clients in proportion to the purchase and sale orders placed for each client account on any given day. When Meridian determines to aggregate client orders for the purchase or sale of securities, including securities which the associated persons of Meridian may invest, Meridian will do so in accordance with the parameters set forth in the SEC No-Action Letter, SMC Capital, Inc. It should be noted, Meridian does not receive any additional compensation or remuneration as a result of aggregation.

Item 17 Voting Client Securities

Meridian will not vote proxies on the investments under its services. All Proxies mailed to Meridian will be returned to sender. Meridian may provide advice for its clients in regards to proxy voting, but Meridian itself will never vote proxies on behalf of its clients. Meridian's proxy voting advice is to cast proxy voting in favor of proposals that are anticipated to enhance the long-term value for the client's shareholders and the company. Generally, this will mean voting "for" proposals that are to improve the management of a company, increase the rights or preferences of the voted securities, and/or increase the chance that a premium offer would be made for the company or for the voted securities. Clients may request a complete copy of Meridian's proxy voting policies and procedures by contacting Meridian at the address or phone number indicated on the cover page of this brochure.

Item 18 Financial Information

Registered investment advisors are required in this Item to provide you with certain financial information or disclosures about Meridian's financial condition. Meridian has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19 Requirements for State-Registered Advisers

State registered investment advisors are required in this Item to identify the principal executive officer(s) and their background. Meridian is currently registered with the United States Securities and Exchange Commission, but may fall under state registration in the near future based on recent changes to laws governing registered investment advisers.

Item 20 Privacy Policy Statement

Commitment to Your Private Information: Meridian Asset Management, along with its representatives, has a long standing policy of protecting the confidentiality and security information we collect about our clients. We do not, and will not, share nonpublic personal information about you ("Information") with outside third parties without your consent, except for the specific purposes described below. This notice has been provided to you to describe the Information we may gather and the situations under which we may need to share it.

Why We Collect and How We Use Information. We limit the collection and use of Information within our firm to only those individuals associated or employed with us that must have Information to provide financial services to you. Such services include maintaining your accounts, processing transaction requests, providing financial planning, financial consultation, and other services described in our Form ADV.

How We Gather Information. We get most Information directly from you when you provide us with information from any of the following sources:

- Applications or forms (for example: name, address, social security number, birth date, assets, income, financial history)
- Transactional activity in your account (for example: trading history and account balances)
- Information services and consumer reporting sources (for example: to verify your identity or to assess your credit history)
- Other sources with your consent (for example: your insurance professional, attorney, or accountant)

How We Protect Information. Our employees and affiliated persons are required to protect the confidentiality of Information and to comply with our stated policies. They may access Information only when there is an acceptable reason to do so, such as to service your account or provide you with financial services. Employees who violate our Privacy Policy are subject to disciplinary action, up to and including termination from employment with us. We also maintain physical, electronic, and procedural safeguards to protect information, which comply with applicable SEC, state, and federal laws.

Sharing Information with Other Companies Permitted Under Law. We do not disclose Information obtained in the course of our practice except as required or permitted under law. Permitted disclosures include, for instance, providing information to unrelated third parties who need to know such Information in order to assist us with in providing services to you. Unrelated third parties may include broker/dealers, mutual fund companies, insurance companies, and the custodian with which your assets are held. In such situations, we stress the confidential nature of information being shared.

Former Customers. Even if we cease to provide you with financial products or services, our Privacy Policy will continue to apply to you and we will continue to treat your nonpublic information with strict confidentiality.