

Warren Capital Group

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Warren Capital Asset Allocation

Appendix 1 Wrap Fee Disclosure Brochure

August 23, 2012

This wrap fee program brochure provides information about the qualifications and business practices of Warren Capital Group. If you have any questions about the contents of this brochure, please contact us at 888.262.1040. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Warren Capital Group is a registered investment adviser. 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 determine to hire or retain an adviser.

Additional information about Warren Capital Group also is available on the SEC's website at www.adviserinfo.sec.gov

Material Changes

In the Services, Fees, and Compensations section, we note that Warren Capital Group is a Managing Member of two limited liability companies that have made investments in privately-held companies. Some clients of Warren Capital Group may be offered the opportunity to invest in such limited liability companies in the future. Warren Capital Group may be compensated as a Managing Member of such limited liability companies.

We had previously made a change in our Brochure dated July 16, 2012 concerning the limited liability companies that has been corrected to the above wording.

In addition, Warren Capital Group made the following changes in the previous Brochure dated May 1, 2012.

In the Services, Fees, and Compensations section we removed the non-wrap fee schedule as it was not applicable.

We also clarified that the wrap program is generally inclusive of fees, and noted the differences between wrap and non bundled option.

In the same section, we urge you to carefully review the custodian account statements and compare them to the account statements you receive from us, and verify the calculation of our fees

In the Portfolio Manager Selection and Evaluation Section, we note that you will receive proxies and other solicitations directly from the custodian or transfer agent. We also note in this section that we receive the wrap fee for our services.

In the same section, we also note that persons who refer clients to

us will be registered as investment advisers or investment advisory representatives if required by state law..

We also note in this section that Warren Capital selects broker-dealers based on their ability to conduct trades efficiently and favorably for client accounts but may have an incentive to select or recommend a broker-dealer based on our interest in receiving research or other products and services, rather than on our clients' interest in receiving most favorable execution.

Also, new section "Requirements for State-Registered Advisers" notes that Warren Capital also offers tax preparation services for which clients may be billed.

Currently, our brochure may be requested by contacting Joseph Warren, President and Chief Compliance Officer at 888.262.1040 or jrw@warcap.com. We will provide you with a new brochure at any time without charge.

Additional information about us is available via the SEC's website: www.adviserinfo.sec.gov. This website also provides information about any persons affiliated with Warren Capital who are registered as investment adviser representatives ("your advisory representative") of Warren Capital.

Information on our investment adviser representatives who work with your account can be found in our brochure supplements on the page shown in the table of contents to the right of this column.

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Services, Fees and Compensation

Our objective is to combine asset management with objective financial advice. Clients come to Warren Capital because of our commitment to their financial independence and security. Our mission is to be the single financial services resource for every client.

Proper diversification is essential when managing investment assets. We allocate to five different asset classes when constructing portfolios:

- stocks,
- bonds,
- real estate,
- alternatives, and
- cash.

These asset classes have varying degrees of correlation. Constructing a diversified investment portfolio in this manner attempts to increase performance while decreasing volatility. Although the underlying assets within the models may be the same for all clients, the specific allocation will be tailored to meet your individual needs.

In managing your investment portfolio, we consider your:

- financial situation,
- risk tolerance,
- investment horizon,
- liquidity needs,
- tax considerations,
- investment objectives, and

- any other issues important to your state of affairs.

You should notify us promptly if there are any changes in your financial situation or investment objectives.

Restrictions and guidelines imposed by clients affect the composition and performance of portfolios. For this reason, performance of portfolios within the same investment objective may differ.

We offer our services on a wrap-fee and a non-wrap fee basis. Wrap fee structures allow you to pay an all-inclusive fee which may include:

- investment management fees shared by our firm, our advisory representatives;
- execution and clearing costs;
- transaction costs – if applicable – which may be paid to purchase and sell securities in your account; and
- custody fees.

The “non-wrap” pricing option is where transaction charges can be unbundled from the advisory and administrative fees. The difference in structure is discussed in order to assist in your understanding of the Program.

Below is the schedule of fees charged by us in connection with the Warren Capital Asset Allocation Program. The fee charged is not charged on the basis of a share of capital gains upon or capital

appreciation of the funds or any portion of the funds of an advisory client.

Our “Non-Wrap” fee schedule is described below:

<u>Assets Under Management</u>	<u>Advisory Fee¹</u>
Up to \$500,000	2.25%
\$500,000 to \$1,000,000	2.00%
\$1,000,001 to \$5,000,000	1.50%
\$5,000,001 and above	1.00%

The “non-wrap” fee schedule does not include transaction charges that are included in the Program fee. Warren Capital receives no portion of the transaction fee.

Our Wrap fee schedule is described below:

<u>Assets Under Management</u>	<u>Advisory Fee¹</u>
Up to \$500,000	2.50%
\$500,000 to \$1,000,000	2.25%
\$1,000,001 to \$5,000,000	1.75%
\$5,000,001 and above	1.25%

¹ All fees are negotiable at our sole discretion.

You must authorize us to have the custodian/broker-dealer pay us directly by charging your account. This authorization must be provided in writing. One-fourth of the annual fee is charged each calendar quarter.

Quarterly Fee Calculation

$$\text{Assets under Management} \times \text{Annual Fee} \div 4 \\ = \text{Quarterly Fee}$$

Your custodian/broker-dealer provides you with statements that show the amount paid directly to us. We urge you to carefully review the custodian account statements and compare them to the account statements you receive from us, and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

You must pay our advisory fees in advance of receiving our services. Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

You should note that the same (or similar) services as those described above may be available from other sources at a lower cost to you. You should consider that depending upon the level of the wrap fee charges, the amount of portfolio activity in your account, the value of services that are provided, and other factors, a wrap fee may exceed the aggregate cost of services if they were to be provided separately. A non-wrapped pricing arrangement may be more cost

effective for accounts that do not experience frequent trading activity.

The wrap fee does not include mark-ups, markdowns, or payment of brokerage commissions for transactions made by a broker-dealer other than the custodian. In addition to our fee, you may be required to pay other charges such as:

- SEC fees,
- internal fees and expenses imbedded within the structure of a mutual fund or exchange traded funds (“ETFs”),

Mutual fund companies, ETFs, and variable annuity issuers charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectuses for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

The custodian of the account holds all customer assets. We do not hold customer funds or securities.

Advisory representatives may recommend our wrap program to you and, as a result of your participation in this program, will receive a portion of the fee charged by us. These payments may be made as long as you participate in the program and may be greater than other forms of compensation had you paid separately for investment advice, brokerage and other services provided to you as part of a wrap fee program. As a result, our advisory representatives may have a financial incentive to recommend this program over other programs or services that may be available to you.

Warren Capital Group is a Managing Member of two limited liability companies that have made investments in privately-held companies. Some clients of Warren Capital Group may be offered the opportunity to invest in such limited liability companies in the future. Warren Capital Group may be compensated as a Managing Member of such limited liability companies.

Account Requirements and Types of Clients

We do not impose any requirements to open or maintain an account.

We provide advisory services primarily to high net worth individuals, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities including their pension and profit sharing plans.

Portfolio Manager Selection and Evaluation

Joseph Warren and Stuart Brown act as portfolio managers for this program. There is no other affiliated or unaffiliated portfolio management offered through this program. We do not manage wrap fee accounts differently than we manage non-wrapped accounts. We receive the wrap fee for our services.

Advisory Business

Our advisory business is limited to the activities described above under “Services, Fees, and Compensation.”

Performance-Based Fees

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. We do not charge performance-based fees on any of our client accounts.

Methods of Analysis, Investment Strategies and Risk of Loss

We select specific investments for your portfolios through the use of fundamental analysis.

Fundamental analysis is a method of evaluating a company that has issued a security by attempting to measure the value of its underlying assets. It entails studying overall economic and industry

conditions as well as the financial condition and the quality of the company’s management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the issuing company’s security to determine whether to purchase, sell or hold the security. Cyclical analysis is a form of fundamental analysis that involves the process of making investment decisions based on the different stages of an industry at a given point in time.

Our investment strategies may include long-term and short-term purchases and sales, and trading. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in loss:

- loss of principal,
- a reduction in earnings (including interest, dividends and other distributions), and
- the loss of future earnings.

Additionally, these risks may include:

- market risk,
- interest rate risk,
- issuer risk, and
- general economic risk.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our

efforts will be successful. You should be prepared to bear the risk of loss.

You must also be aware that the use of margin, options and short sales are higher risk strategies. It is possible to lose all of the principal you invest, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested. In a margin account, your risk includes the amount of money invested plus the amount that has been loaned to you. When you short sell, your losses can be infinite. Additionally, frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Voting Client Securities

You will receive proxies and other solicitations directly from the custodian or transfer agent. We do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. We will, however, forward to you any information received by us regarding proxies and class action legal matters involving any securities held in your accounts.

Client Information Provided to Portfolio Managers

We work with you to identify your investment goals and objectives as well as risk tolerance in order to create an initial portfolio allocation designed to complement your financial situation and personal circumstances. We obtain this information from you initially, annually, and as you inform us of any changes.

Client Contact with Portfolio Managers

You have ready access to your advisory representative/portfolio manager. Advisory representative/portfolio managers are not required to be available for unscheduled or unannounced visits or calls by clients. However, advisory representative/portfolio managers are expected to periodically meet with clients and should generally be available to take client telephone calls on advisory-related matters.

Additional Information

Disciplinary Information

We have not been the subject of any legal or disciplinary events that would be material to your evaluation of our business or the integrity of our management.

Other Financial Industry Activities and Affiliations

In addition to his position as a founder and President of Warren Capital Group, Mr. Warren is the sole owner of Warren Lending Group LLC. Warren Lending Group owns 50% of Mortgage Harmony Lending LLC. Mortgage Harmony Lending is a Mortgage Broker.

If you obtain a mortgage through Mortgage Harmony Lending, Mr. Warren may receive commissions or other compensation in relation to the mortgage. This compensation would be in addition to the advisory and other fees that we may receive. You are under no obligation to obtain a mortgage through Mortgage Harmony Lending. However, if you do so, we may earn compensation in addition to any fees paid for advisory services.

Mr. Warren is also a Managing Member of LLC's whose business is to make brick and mortar investments in privately-held companies. Clients of Warren Capital Group may be solicited to invest in the LLC. Mr. Warren may be compensated for acting in this capacity.

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

We have adopted a Code of Ethics ("Code") to address the securities-related conduct of our advisory representatives and employees. The Code includes our policies and procedures developed to

protect your interests in relation to the following:

- the duty at all times to place your interests ahead of ours;
- that all personal securities transactions of our advisory representatives and employees be conducted in a manner consistent with the Code and avoid any actual or potential conflict of interest, or any abuse of an advisory representative's or employee's position of trust and responsibility;
- that advisory representatives may not take inappropriate advantage of their positions;
- that information concerning the identity of your security holdings and financial circumstances are confidential; and
- that independence in the investment decision-making process is paramount.

We will provide a copy of the Code to you or any prospective client upon request.

We do not buy or sell securities for our firm that we also recommend to clients. Our advisory representatives and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by advisory representatives and employees may raise potential conflicts of interest when they trade in a security that is:

- owned by you or

- considered for purchase or sale for you.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures:

- require our advisory representatives and employees to act in your best interest,
- prohibit favoring one client over another, and
- provide for the review of transactions to discover and correct any same-day trades that result in an advisory representative or employee receiving a better price than a client.

Advisory representatives and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

Review of Accounts

All accounts are reviewed no less than quarterly by the portfolio manager assigned to the account. Less comprehensive reviews may be conducted on a monthly or weekly basis. The quarterly reviews focus on consistency of portfolio investments with investment objectives and risk tolerances.

In addition, we take into consideration changes in fund management, the investment market and the economy. After consideration of the above factors, allocation and investment determinations are made if review indicates that re-balancing is necessary. Reviews also

consider investment restrictions requested by individual clients.

You will receive statements from your custodian at least quarterly. These statements identify your current investment holdings, the cost of each of those investments, and their current market values. You will also receive other reports prepared by us which detail your asset allocation and investment positions.

Client Referrals and Other Compensation

We may enter into written compensation agreements with certain unaffiliated professionals such as CPAs, attorneys, etc. We will pay these persons a percentage of the fee paid to us by clients that are determined to have become clients as a result of such individual's direct or indirect efforts. . These persons will be registered as investment advisers or investment advisory representatives if required by state law.

These payments are a portion of the fee that we charge and do not result in an increase in the amount of the fee that you pay. Any solicitation or referral arrangements will comply with applicable laws that govern:

- the nature of the service,
- fees to be paid,
- disclosures to clients, and
- any necessary client consents.

We may recommend that the broker-dealer/custodian for your account be Fidelity Services, LLC and their affiliate

National Financial Services, LLC (“collectively Fidelity”) through Fidelity Institutional Wealth Services (“FIWS”). We may also recommend TD Ameritrade, Inc. (“TD Ameritrade”) through its TD Ameritrade Institutional division as the custodian.

Fidelity/TD Ameritrade will assist us in servicing your accounts. We are independently owned and operated and not affiliated with Fidelity/TD Ameritrade. Our use of Fidelity/TD Ameritrade is, however, a beneficial business arrangement for us and for Fidelity/TD Ameritrade. Information regarding the benefits of this relationship is described below.

In recommending Fidelity/TD Ameritrade as custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum Fidelity/TD Ameritrade’s:

- existing relationship with us,
- financial strength,
- reputation,
- reporting capabilities,
- execution capabilities,
- pricing, and
- types and quality of research.

The determining factor in the selection of Fidelity/TD Ameritrade to execute transactions for your accounts is not the lowest possible transaction cost, but whether Fidelity/TD Ameritrade can provide what is in our view the best qualitative execution for your account.

Fidelity/TD Ameritrade provides us with access to its institutional trading and custody services, which includes:

- brokerage,
- custody,
- research, and
- access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

We are not required to place a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services.

Fidelity/TD Ameritrade does not charge separately for holding our clients accounts, but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

Fidelity/TD Ameritrade also makes available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that:

- provide access to account data such as:
 - duplicate trade confirmations,
 - bundled duplicate account statements, and

- access to an electronic communication network for client order entry and account information;
- facilitate trade execution, including:
 - access to a trading desk serving advisory participants exclusively and
 - access to block trading which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account;
- provide research, pricing information and other market data;
- facilitate payment of our fees from client accounts; and
- assist with back-office functions, record keeping and client reporting; and
- receipt of compliance publications.

Fidelity/TD Ameritrade also makes available to us other services intended to help us manage and further develop our business. Warren Capital selects broker-dealers based on their ability to conduct trades efficiently and favorably for client accounts. Warren Capital may have an incentive to select or recommend a broker-dealer based on our interest in receiving research or other products and services, rather than on our clients' interest in receiving most favorable execution. These services may include:

- consulting,
- publications and conferences on practice management,

- information technology,
- business succession,
- regulatory compliance, and
- marketing.

Fidelity/TD Ameritrade may also make available or arrange for these types of services to be provided to us by independent third parties. Fidelity/TD Ameritrade may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits as a result of our relationship with Fidelity/TD Ameritrade, because we do not have to produce or purchase the products and services listed above.

Because the amount of our compensation or the products or services we receive may vary depending on the custodian/broker-dealer we recommend to be used by our clients, we may have a conflict of interest in making that recommendation. Our recommendation of specific custodian/broker-dealers may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through Fidelity/TD Ameritrade may be higher than commissions and other fees available if you use another custodian/broker-dealer firm to execute

transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by Fidelity/TD Ameritrade outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

Many of the services described above may be used to benefit all or a substantial number of our accounts, including accounts not maintained at through Fidelity/TD Ameritrade. We do not attempt to allocate these benefits to specific clients.

Financial Information

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and

we have not been the subject of a bankruptcy proceeding.

Requirements for State Advisers

In addition to our mortgage business discussed in the Additional Information section, Warren Capital also offers tax preparation services for which clients may be billed.

Joseph Warren
Warren Capital Group

***2 Wisconsin Circle Street
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Brochure Supplement

May 1, 2012

This brochure supplement provides information about Joseph Warren that supplements the Warren Capital Group brochure. You should have received a copy of that brochure. Please contact Joseph Warren, Chief Compliance Officer, if you did not receive Warren Capital Group's brochure or if you have any questions about the contents of this supplement.

Additional information about Joseph Warren is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Joseph Warren

Year of birth: 1975

Formal education includes:

- College of Charleston, Bachelor of Arts, 1997

Business background includes:

- Warren Capital Group; President/Chief Compliance Officer (07/05 – Present)
- FSC Securities Corp.; (2005 – 01/06)
- Morgan Stanley, Vice President (1998-2005)

Disciplinary Information

Joseph Warren has not been the subject of any legal or disciplinary event.

Other Business Activities

In addition to his position as a founder and President of Warren Capital Group, Mr. Warren is the sole owner of Warren Lending Group LLC. Warren Lending Group owns 50% of Mortgage Harmony Lending LLC. Mortgage Harmony Lending is a Mortgage Broker.

If you obtain a mortgage through Mortgage Harmony Lending, Mr. Warren may receive commissions or other

compensation in relation to the mortgage. This additional compensation may present a conflict of interest because it creates an incentive to recommend products or services based upon compensation, rather than on your needs. Mr. Warren will explain the costs associated with any recommendations he makes. You have no obligation to do business with Mr. Warren in this capacity.

Additional Compensation

Mr. Warren receives compensation through his affiliation with Mortgage Harmony Lending. This compensation is described under “Other Business Activities” above.

Supervision

Mr. Warren is supervised by Stuart Brown, Chief Investment Officer. Mr. Brown can be reached at 888.262.1040.

We supervise Mr. Warren by requiring that he adhere to our processes and procedures as described in our firm’s Code of Ethics. We will monitor the advice that Mr. Warren gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established
- A daily review of account transactions,
- Review custodial information on a quarterly basis to assess account activity,

- Perform annual oversight so that Mr. Warren is aware of your current financial situation, objectives, and individual investment needs
- A review of client correspondence on an as needed basis.

Stuart Brown

Warren Capital Group

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Brochure Supplement

May 1, 2012

This brochure supplement provides information about Stuart Brown that supplements the Warren Capital Group brochure. You should have received a copy of that brochure. Please contact Joseph Warren, Chief Compliance Officer, if you did not receive Warren Capital Group's brochure or if you have any questions about the contents of this supplement.

Additional information about Stuart Brown is available on the SEC's website at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Stuart Brown

Year of birth: 1955

Formal education includes:

- Thomas Jefferson College - Grand Valley University; BPh. 1981

Business background includes:

- Warren Capital Group; Chief Investment Officer, Advisory Representative (11/07 – Present)
- Foxhall Capital; Vice President - Portfolio Manager (11/04-11/07)
- Smith Barney; Vice President - Portfolio Manager (1983-2004)
- Rivierre Securities; Financial Consultant (1982-1983)

Disciplinary Information

Stuart Brown has not been the subject of any legal or disciplinary event.

Other Business Activities

Mr. Brown is not engaged in any business activities other than those related to Warren Capital Group.

Additional Compensation

Mr. Brown does not receive any additional compensation related to the advisory services provided to you.

Supervision

Mr. Brown is supervised by Joseph Warren, Chief Compliance Officer. Mr. Warren can be reached at 888.262.1040.

We supervise Mr. Brown by requiring that he adhere to our processes and procedures as described in our firm's Code of Ethics. We will monitor the advice that Mr. Brown gives to you by performing the following reviews:

- A review of relevant account opening documentation when the relationship is established
- A daily review of account transactions,
- Review custodial information on a quarterly basis to assess account activity,
- Perform annual oversight so that Mr. Brown is aware of your current financial situation, objectives, and individual investment needs
- A review of client correspondence on an as needed basis.