

Wrap Fee Program Brochure
March 31, 2011
PRIVATE WEALTH MANAGEMENT

Target Models include the following glide paths:

- **Aggressive Growth (Target 2035),**
- **Growth (Target 2030),**
- **Balanced (Target 2025),**
- **Moderate (Target 2020),**
- **Conservative (Target 2015),**

Hedge, Tax-Efficient HTE Model

Sponsor of this program is

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This wrap fee program brochure provides information about the qualifications and business practices of Welshire Capital LLC. If you have any questions about the contents of this brochure, please contact us at 608-783-0003 or www.welshirecapital.com. 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.

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

Summary of Material Changes

There have been no material changes since the June 4, 2010 Form ADV.

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ITEM 4 Services, Fees and Compensation

The Sponsor:

Welshire Capital, LLC ("Sponsor" or "Advisor") provides investment management services to and within its program called Private Wealth Management (Aggressive Growth ((Target 2035)), Growth ((Target 2035)), Balanced ((Target 2025)), Moderate ((Target 2020)), Conservative (Target 2015), and Hedge, Tax-Efficient HTE Model Portfolios) (each a "Model" and collectively, the "Models" or the "Program"). These Portfolios encompass various strategies with differing objectives to enable Program Clients (each a "Client" and collectively the "Clients") to receive personalized investment advice in attempting to achieve their individual investment goals. The Sponsor employs technical and fundamental indicators in management of each Client's account. The nature of technical indicators is to determine trends in a particular stock, ETF, mutual fund, index, asset class or sector. The Sponsor utilizes stocks, bonds, ETFs and mutual funds to construct Client portfolios designed to achieve the objectives of the Portfolio or the strategies designated by the Client. The general objective is to maintain an average weighting in an asset class as a long-term position.

Other Businesses:

The Sponsor is not under any obligation to provide its services exclusively to the Program. The Sponsor serves as an investment adviser to clients under individual investment management agreements outside of the Program. Reference is made to Part 2 of the Sponsor's Form ADV.

Brent J. Welch, Manager of the Sponsor, is also a licensed insurance agent and is the President of Estate Planning, Inc. Through Estate Planning, Inc., Mr. Welch sells various insurance products.

The Custodian:

The Sponsor has engaged TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC, as the custodian (the "Custodian") for the Program.

The Custodian has responsibility for: (1) receipt and safekeeping of all cash and securities of the Clients' accounts in the Program; (2) execution of all investment directions from the Sponsor; (3) maintenance of separate accounting records for each Client's account; (4) payment from each Client's account of the Program Fees due the Sponsor; (5) preparation of monthly statements for each Client's account reflecting the record during the previous month of: (a) all investment activity within the account; (b) all earnings or other distributions received on the investments and all additions or withdrawals made by the Client; (c) all fees or other expenses disbursed from the account to the Sponsor or to the Custodian; and (d) the value of the account at the beginning and at the end of the month; and (6) mailing or e-mailing to each Client the monthly statement described in (5). A copy of Sponsor's agreement with the Custodian is available upon written request.

The Sponsor retains the right to appoint, terminate and replace the Custodian from time to time. In any such case the Sponsor shall seek a replacement Custodian which will provide at least the same level of services as provided by the replaced Custodian at no material increase in cost to Clients.

The Program:

See Advisory Business section on page 10 for details about the Advisor.

1. Participation. The Program is open to individuals, trusts, estates, or charitable organizations, corporations, partnerships and other entities. To participate in the Program the following action is required:
 - A. Program Application. A Program Application must be executed and delivered to the Sponsor by the Client.
 - B. Minimum Investment. The Client must transfer funds or existing accounts to the Custodian having value of at least \$10,000 for each strategy selected.
2. Strategic Solutions. The Sponsor manages the Program accounts established by Clients through one or more of the following Program strategies:

The Five Target Models:

A. AGGRESSIVE GROWTH (Target 2035)

This strategy is more aggressive in that client assets are held in stocks that may be more volatile, bonds with higher yields or alternative strategies with additional risk. Volatility may be experienced because of a less frequent "Protect" strategy. This strategy may invest in smaller or mid-sized growth stocks to potentially experience additional momentum. The "Advance" strategy may be used more frequently than other clients may experience in the Growth, Balanced, Moderate and Conservative portfolios. The overall goal of this strategy is maximum total return through global investment options. Usually, this strategy appeals to the younger, more aggressive investor.

B. GROWTH (Target 2030)

The Growth strategy is for investors who want to participate in the market advances but also want to protect against market losses more than aggressive growth investors. This growth strategy usually has more

money invested into stocks than bonds or alternative investments. Retired clients who have a higher risk tolerance may appreciate this strategy. The Growth strategy is a global total return strategy designed to help investor grow assets during bear market rallies or bull markets. The aim is to protect wealth during sideways or downward markets.

C. BALANCED (Target 2025)

The Balanced strategy is a middle of the road option for clients who are transitioning from capital appreciation to capital preservation. These investors like to make a little money during market rallies, but they also want a safety valve that is designed to reduce their portfolio risk at the right time. Keeping an investors' money in the right place at the right time is the desired outcome of this target portfolio Model. The balanced target Model may have a more equal allocation between stocks, bond and cash. Alternative investment strategies such as real estate, currencies, emerging markets and commodities (including gold and silver) may be used.

D. MODERATE (Target 2020)

The Moderate strategy is designed to be just a notch above the conservative target portfolio. Moderate investors are concerned about loss of principle but still need to keep pace with inflation. This global total return strategy will usually overweight the bond, cash and alternative investments relative to the stock investments. The four-step advance and protect strategy will be used with this Moderate strategy to research, respond, grow and protect these investors. The stocks that are used may be less volatile than the choices for the balanced, growth or aggressive growth investors. A combination of less stock exposure and less aggressive investment choices is the desired allocation of this moderate strategy.

E. CONSERVATIVE (Target 2015)

The Conservative Model has a larger ongoing exposure to bonds, cash and alternative investments. Usually, this strategy will have a very limited upside exposure to stocks. If a specific limitation is desired, it can be listed in the investment paperwork. Investors seeking capital preservation and only slight capital growth should choose this option. As Will Rodgers said, "I am more concerned about the return of my principal than the return on my principal." Does this approach ring a bell with you? If it does, then maybe you should consider the Conservative strategy for your money. This global total return strategy is designed for the conservative investor who wishes to pursue income, capital preservation and minimal volatility.

Non-qualified Investments:

F. HEDGE, TAX-EFFICIENT (HTE) MODEL

The HTE strategy is a global, total return strategy designed as a longer-term, tax efficient strategy designed to purchase stocks that may be held for a longer period of time, bonds (that may include a ladder portfolio of individual, tax-free municipal bonds), and alternative strategies when needed. The hedge part of the HTE name may be implemented through alternative investment, inverse funds or even options. Hedging may be used to create a collar around certain stock holdings, to potentially offset downwards or sideways pressure on the stock market or to attempt to gain some growth when all other asset classes are not performing.

HTE Model may be invested as growth, balanced or conservative portfolios. Growth investors would seek capital growth of principal. Balanced investors are seeking both growth and income. Conservative investors would desire income and principal protection first. The Conservative HTE strategy would seek minimal capital growth as an inflation hedge. The HTE Model is most appropriate for non-IRA investments held as JTWRROS, individual or trust accounts. HTE Models may be appropriate for non-qualified money when tax efficiency is desired. Will taxes go up in the future? If there will be higher taxes in the future, the HTE strategy may grow in popularity.

A Client may select one or more of the portfolios by designating percentages of the Client's total account to be managed as part of each selected portfolio. A minimum of \$10,000 is required for each portfolio selected. The initial percentages of total invested funds of each portfolio may not be maintained by Sponsor. Clients may direct any rebalancing of portfolio percentages.

From time to time Sponsor may determine that one or more of the portfolios are closed to investment. In any such case, Clients who have selected any such strategy will be so advised and provided the opportunity to make alternate selections.

Fees and Expenses:

Program Fees. For its services as Sponsor, the Sponsor charges annual fees billed on a monthly basis in advance, which fees are related to the type of the assets held in the Client's account participating in the Program. The annual rates are as follows:

**Private Wealth Management (Discretionary)
Weekly Model Review, Monthly
Reallocation, and Quarterly
Assessment of Managers**

<u>Tier Level</u>	<u>Annual Percentage</u>
First \$1,000,000	1.75%
Next \$1,000,000	1.00%
<u>Flat Fee</u>	
\$ 2,000,001 - \$ 5,000,000	0.99%
\$ 5,000,001 - \$10,000,000	0.89%
\$10,000,001 - \$15,000,000	0.79%
\$15,000,001 - \$20,000,000	0.69%
\$20,000,001 - \$35,000,000	0.59%
\$35,000,001 - \$50,000,000	0.49%
\$50,000,001 +	0.39%

With the exception of the nominal Section 31 fee (commonly known as an "SEC Fee") for equity sell transactions, this fee includes all trading costs and IRA fees. These fees are billed in advance based upon the previous month's ending balance. The fee computed for the month will be shown on the Client's monthly statement from the Custodian. Accounts can also be established with the Advisor that are not actively managed by the Advisor for buy and hold strategy. The fee for this service is 0.25% and meets a Client's desire for investment and performance reporting. The Advisor reserves the right to negotiate its fees. The Advisor cannot be compensated on the basis of a share of capital gains or capital appreciation in Client's account. Exceptions to the minimum account size and fee may be made in the discretion of the Advisor.

**Institutional Fee Schedule
(Non-Discretionary)**

<u>Tier Level</u>	<u>Annual Percentag</u>
\$ 1,000,000 - \$ 2,000,000	0.99%
\$ 2,000,001 - \$ 5,000,000	0.49%
\$ 5,000,001 - \$ 10,000,000	0.39%
\$ 10,000,001 - \$ 35,000,000	0.29%
\$ 35,000,001 - \$ 50,000,000	0.19%
\$ 50,000,001 - \$100,000,000	0.15%
\$100,000,001 - \$250,000,000	0.10%

If, for any reason, a client decides to terminate their agreement with the Advisor, a client may do so by written notice to the Advisor and a refund of the prepaid fee, prorated to the date of termination, is returned to the client if written notice is received prior to transfer of funds. The Advisor can also terminate the agreement by written notice to the client. Such notices of termination become effective upon receipt.

The investment decision-making process includes weekly target portfolio review, monthly reallocations, if necessary, and quarterly reassessments. During times of dramatic changes in the economy or the markets, the investment committee may decide during their weekly meetings to make a monthly reallocation earlier than anticipated. Monthly reallocations typically happen, if necessary, on the first Monday of the month. The actions taken during the monthly meeting may include making no changes, rebalancing or reallocating the Models among asset classes, styles and sectors.

The Advisor provides financial planning services such as retirement and estate planning for a fee. The minimum account size for portfolios is \$10,000. Portfolios over \$1,000,000 may have ETFs and stocks in addition to mutual funds. Exceptions to the minimum account size and fee may be made in the discretion of the Advisor.

Custodial Fees. For its services as Custodian, the Sponsor pays the Custodian for all trading commission costs effected for the Account. Accordingly, the Client does not directly pay such trading commissions as the Sponsor fee paid by the Client to the Sponsor includes such fees. The Custodian fees paid by the Sponsor do not include the SEC Fee associated with equity sell transactions. Instead, this nominal charge is levied on equity sell transactions in the Account and is, therefore, paid for by the Client.

Mutual Fund Fees and Expenses. It should be noted that all mutual funds incur expenses, which are paid from fund assets. Such expenses include, without limitation, investment adviser fees and charges by certain funds of 12(b)(1), administrative or shareholder servicing fees, or certain other fees, all of which reduce the Net Asset Value of the funds on a continuing basis. All such fees and expenses are reflected in the value of the fund's shares and are therefore indirectly incurred by Clients in addition to the fees detailed above. From time to time such 12(b)(1), administrative or servicing fees may be available to Sponsor. In such event any and all such fees to which Sponsor may be entitled are, on a dollar for dollar basis, applied to and offset custodial, or other third party expenses and obligations which otherwise would be borne by Client. No such fees are retained for the benefit of Sponsor.

Some mutual funds pay a portion of their administrative, management or certain other fees to the Custodian in recognition of the fact that the Custodian is incurring certain service costs for the benefit of the fund. The Custodian handles transfer functions, shareholder servicing, sub-accounting and tax reporting functions that the fund would otherwise have to provide. Any such payments payable on fund positions held in Client accounts at the Custodian are directed to the Custodian and are used to cover the Custodian's fees. If such payments do not cover the total Custodian fees, Sponsor will pay the deficiency.

Some mutual funds may impose substantial redemption charges on investments held for less than a minimum period established by the mutual fund. While reasonable efforts will be made by the Sponsor where possible to avoid imposition of such charges, no guarantee is made that Client will not incur such charges. Clients entering and exiting a strategy using funds with redemption fees may incur such charges or delays may be imposed in implementing exchanges. Redemption charges are incurred by the Client and are not included in the Sponsor's fee.

Clients should be aware that the fees and expenses of the Program may be higher than those charged by other investment advisers or "wrap-fee" sponsors programs and the Client may be able to purchase the services separately for less cost. For example, a Client might purchase mutual fund shares directly from the mutual fund with no front-end cost, placing reliance solely on the investment advisers to the specific mutual fund and the fund's custodian. In such case the fees of the Sponsor and Custodian incurred by the Program would be avoided.

Conflict of Interest:

Sponsor's Relationship with Custodian: The securities and amount to be purchased in a client's account are at the discretion of the Sponsor. The platform or brokerage account that the trades are executed through will initially be the same for all clients. That brokerage platform determines the cost for trading individuals' securities, ETFs, mutual funds and other accounts. The current platform used by the Sponsor is TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade, Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC registered broker-dealer and FINRA member, which charges a commission per trade. These transaction fees, excluding the nominal Section 31 fee ("SEC fee"), are paid for by the Sponsor through the Sponsor fee paid by the client. Prior to selecting TD Ameritrade as its platform of choice, the Sponsor researched and compared the fees of other comparable platforms and determined that TD Ameritrade offered the best price for its services. The Sponsor will annually evaluate the costs and services of other broker-dealers as compared to TD Ameritrade, through its clearing firm, to continue to determine that TD Ameritrade is competitive in obtaining best execution and prices when processing transaction orders. However, there can be no assurances that TD Ameritrade (or any other broker-dealer or trade execution firm) can process orders in a manner that results in best execution in every instance. Thus, selecting TD Ameritrade may not result in best execution price or lowest transaction cost. However, some accounts that are older and have a lower fee are set up to have the client pay the brokerage fees themselves. These fees will not be marked up by the Sponsor but passed on to the client in the same dollar amount that the Sponsor pays at a wholesale level. Typically, no additional fees will be charged for the costs of the IRA custodian or for trading stocks, bonds and ETFs. No commissions are paid to the Sponsor for investments made in the Models. No load, no ticket charge, and no short term trading fee mutual funds will typically be selected for the mutual fund investments. The Sponsor does not receive any 12b-1 fees in connection with its purchase of mutual funds for its clients. However, Sponsor does receive some benefits from TD Ameritrade through its participation in the TD Ameritrade Institutional program (Please see additional discussion under Item 13A). ETFs, index funds, individual stocks and bonds are also used for clients' investment accounts and all trading costs, excluding the SEC fee, are paid for by the Sponsor.

As described above, Sponsor participates in TD Ameritrade's Institutional customer program and Sponsor may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Sponsor's participation in the program and the investment advice it gives to its clients, although Sponsor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Sponsor participants; access to block trading (which provides the ability to aggregate securities transaction for execution and then allocate the appropriate shares to client accounts); the ability to have Sponsor fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Sponsor by third party vendors. Some of the products and services made available by TD Ameritrade through the program may benefit Sponsor but may not benefit its client accounts. These products or services may assist Sponsor in managing and administering client accounts, including accounts not maintained at TD Ameritrade.

Other services made available by TD Ameritrade are intended to help Sponsor manage and further develop its business enterprise. The benefits received by Sponsor through participation in this program do not depend on the amount of brokerage transactions directed to TD Ameritrade. Clients should be aware; however, that the receipt of economic benefits any Sponsor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Sponsor's recommendation of TD Ameritrade for custody and brokerage services.

Sponsor has also contracted for additional services with TD Ameritrade to provide or make available certain products, research, services, or other economic benefits to Sponsor for referring clients to TD Ameritrade and for their maintenance of assets in accounts at TD Ameritrade. Sponsor has determined that these certain products and services offered by TD Ameritrade are competitive in the market place for similar products and services offered by other broker-dealers and custodians. These certain additional services will be used by the Sponsor in connection with its investment Sponsor business and for the direct or indirect benefit of clients transferring or maintaining assets in accounts at TD Ameritrade. These additional services are not based on the number or amount of securities transactions executed through TD Ameritrade, and such additional services do not consist of fees, commissions, or other remuneration contingent on the execution of securities transaction or the utilization of any other TD Ameritrade service or product. TD Ameritrade provides these additional services in its sole discretion and at its expense, and Sponsor does not pay any fees to TD Ameritrade for the additional services. Sponsor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the additional services. The Additional Services to be provided to Sponsor is in the form of a \$4,860.00 economic benefit to be paid to Morningstar on behalf of the Sponsor for Morningstar Advisor Workstation Office Edition.

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

ITEM 5 Account Requirements and Types of Clients

The Program is open to individuals, trusts, estates, or charitable organizations, corporations, partnerships and other entities. To participate in the Program, a Program Application must be executed and delivered to the Sponsor by the Client and the Client must transfer funds or existing accounts to the Custodian having value of at least \$10,000 for each strategy selected.

ITEM 6 Portfolio Manager Selections and Evaluations

The Sponsor is the Portfolio Manager. The Sponsor's investment performance is reported to the Client in each quarterly statement delivered to the Client using consistent methodology. Client's agent, if any, may review the Sponsor's performance and recommend action to the Client, but Sponsor is the sole portfolio manager and is therefore subject to replacement only by Client's termination of participation in the Program. The Sponsor has the option of adding additional portfolio managers if performance is unsatisfactory to the majority of the clients.

The Sponsor, Welshire Capital, LLC, understands its clients and creates portfolios that run the target Models upon many platforms. The Investment Policy Committee (IPC) plans to meet twice per week to review the

markets, the economy and news headlines to decide how to respond as investment fiduciaries for our clients. The four-step investment process is: 1. Research, 2. Respond, 3. Grow and 4. Protect. Once the process goes through all four steps, then it once again reverts to step one. The IPC may decide to do nothing or to reallocate the target Models. The Sponsor chooses to manage client assets to ensure the highest level of congruency between a client's risk tolerance and the Models; therefore, Welshire Capital, LLC does not outsource money management to third parties at this time.

The IPC typically performs twice weekly reviews, monthly reallocation if necessary, and quarterly reassessment of managers. The main research that is reviewed in the process includes technical, fundamental, and historical indicators. Research comes through third party services, IPC reports of leading indicators and an analysis of historical rates of return for the one-year cycle, ten-year decennial cycle, and the four-year Presidential cycle. Various tools to measure the technical and fundamental research help quantify rating on mutual fund, stock, bond or ETFs that are used in a client portfolio.

The Sponsor outsources investment and performance reporting to a third party company, called Albridge. Albridge calculates all returns for year to date, previous quarter, previous year, and since inception, through their proprietary system. The Albridge team performs audits and reconciliation service for client data to ensure accuracy. TD Ameritrade also provided daily account summaries, via the TD Ameritrade web portal, and monthly consolidated statements for Welshire Capital's clients.

Albridge disclosures include the following:

Securities offered through Comprehensive Asset Management and Servicing, Inc., member FINRA/SIPC. Comprehensive Asset Management and Servicing, Inc. and Welshire Capital are not affiliated companies.

This report incorporates some or all of the assets from the following clients:

[Client name listed]

The "Core Value and Benchmark" report graphs your actual core portfolio value over time, but does not include Manually Entered Assets. The starting point on the graph will always use that day's beginning balance. For fair comparison purposes, buy and sell transactions that occurred in your core portfolio during the period will be applied to any included Benchmarks. The "Net Contribution" column in the underlying legend includes all cash flows in and out of the core portfolio, including but not limited to buys, sells, dividends, interest and fees. If your core portfolio's Net Contribution contains dividend, interest and fees, it will not represent the same case flow adjustment that is applied to the benchmarks for fair comparison purposes. Additionally, interest and dividends will cause increased rate of returns in the legend without a corresponding affect on the graph.

*Represent partial period related to other periods on this report.

Pie chart slices labeled as "other" may include securities classified as "other" by the provider of asset classification data, as well as securities that did not fit in the other slices displayed.

The return for this holding represents a partial period relative to the report period requested on the report. At some time during the reporting period, the holding was not in the portfolio. The partial period asset will affect the total account's rate of return.

Performance calculations are performed using the Daily Time Weighted Rate of Return (DTWR) Calculation method.

The time-weighted rate of return (TWRR) eliminates the effect of cash flows. In the case of the daily time-weighted rate of return, the portfolio will be revalued whenever a cash flow takes place, therefore completely reducing its impact on the return. Returns are measured from day-to-day or from cash flow to cash flow. These returns are then compounded or geometrically linked resulting in the time-weighted rate of return.

Performance returns for time periods longer than 365 days have been annualized.

Any benchmark return calculations included on this report were performed using a cash flow adjusted calculation.

Advisor hires Compliance Resources, Inc. as a third-party compliance consultant. Compliance Resources, Inc. provides an annual compliance audit review of all necessary advertising materials and other ongoing compliance issues.

Comprehensive Asset Management Services, Inc (CAMAS) has a Chief Compliance Officer who gives additional compliance consulting to Welshire Capital, LLC.

Investment Adviser Representatives:

Any person making any investment decision on behalf of the Sponsor is required to have a four year degree in finance or a related field of study and/or three years of experience in the investment advisory business or similar background. A curriculum vitae of the person(s) currently having authority to direct investment decisions for Clients of the Program is set forth below:

Mr. Welch was born in 1962. He attended La Crescent High School in La Crescent, Minnesota, graduating with high honors in 1980. Mr. Welch attended the University of Wisconsin in La Crosse (U.W. La Crosse) from 1980 to 1983 and majored in business and finance. He did not receive a degree from U.W. La Crosse but received his certificate in Bible from Capernwray Bible School in 1984 before entering the financial planning business on August 1, 1984. In 1989, Mr. Welch completed his Certified Financial Planning (CFP) designation from the College of Financial Planning in Denver, CO. In 1990, he obtained his Chartered Financial Consultant (ChFC) designation from the American College in Bryn Mawr, Pennsylvania. In 1991, he received the Chartered Life Underwriter (CLU) designation from the American College in Bryn Mawr, Pennsylvania. In 2011, he obtained his Accredited Investment Fiduciary (AIF) designation from fi360.

Mr. Welch has specialized in retirement and estate planning since 1984 and from 1997-2007 was a Registered Representative with Securities America Advisors, Inc., a SEC registered investment adviser. Mr. Welch is a Series 7, 63 and 24 licensed Registered Representative of Comprehensive Asset Management and Servicing, Inc. His services include selling mutual funds and brokerage accounts with stocks, bonds, UITs, ETFs and other registered investment products.

The CFP® certification process, administered by CFP Board, identifies to the public that those individuals who have been authorized to use the CFP® certification marks in the U.S. have met rigorous professional standards and have agreed to adhere to the principles of integrity, objectivity, competence, fairness, confidentiality, professionalism and diligence when dealing with clients. CFP® certificants must pass the comprehensive CFP® Certification Examination, pass CFP Board's Fitness Standards for Candidates and Registrants, agree to abide by CFP Board's Code of Ethics and Professional Responsibility which puts clients' interests first and comply with the Financial Planning Practice Standards which spell out what clients should be able to reasonably expect from the financial planning engagement.

A Chartered Financial Consultant (ChFC) is the financial planning designation for the insurance industry awarded by the American College of Bryn Mawr. ChFCs must meet experience requirements and pass exams covering finance and investing. They must have at least three years of experience in the financial industry, and have studied and passed an examination on the fundamentals of financial planning, including income tax, insurance, investment and estate planning. The ChFC designation must be renewed every two years and complete a minimum of 30 hours of continuing education. For more information on the ChFC designation and a ChFC informational brochure, go to www.ChFCHighestStandard.com or www.TheAmericanCollege.edu/chfc.

To receive the CLU® designation, you must successfully complete all courses in your selected program, meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures. Course topics include: insurance planning, life insurance law, estate planning, planning for business owners and professional, financial planning, health insurance, tax, investments, group benefits, and retirement needs. For more information on the CLU designation and a CLU informational brochure, go to www.CLUHighestStandard.com or www.TheAmericanCollege.edu/clu.

The Accredited Investment Fiduciary (AIF) designation represents a thorough knowledge of and ability to apply the fiduciary Practices. Through fi360's AIF Training programs, AIF designees learn the Practices and the legal and best practice framework they are built upon. AIF designees have a reputation in the industry for the ability to implement a prudent process into their own investment practices as well as being able to assist others in implementing proper policies and procedures. AIF Training curriculum is offered in distance education or a blended learning option to suit each student's needs. Each format culminates in the 60 question AIF exam, which students seeking the AIF designation must pass with 75% correct answers. The exam is a 90 minute, closed-book exam, and students may not use any course materials or notes. After passing the exam, students submit designee applications and their first designee fee.

Advisory Business

Welshire Capital, LLC ("Advisor") has a **transparent, proactive service** that is **client-focused**. The Advisor's Wealth planning system is designed to help clients get their financial house in order and keep it that way. Advisor's Private Wealth Management process may help clients to advance and protect their wealth. **The four-step investment process is to: research, respond, grow, and protect clients' wealth.** The Advisor also can bring this transparent, proactive service to groups of clients at

specific companies who allow the Advisor to have a limited power of attorney to apply their **four-step Advance and Protect process** to 401(k) and other defined contribution plan assets.

The **Advance and Protect** process is a global, tactical, total return strategy that seeks to secure gains in advancing markets and protect capital in sideways to negative markets.

The Advisor applies a **Family Wealth Planning** approach to help clients discover their true wealth. As Roy Disney, Walt's brother says, "When your values are clear, your decisions are easy." Understanding what's really important to a client about money may help them to create a more inspiring plan. The Advisor tailors advisory services to the individual needs of clients. For example; some clients prefer that the Advisor screen individual stock decisions through special Socially Responsible Investing (SRI) screens. If certain stocks show up on a SRI list that recommends a temporary boycott on that stock, it may be sold and a substitute stock with similar qualities may be purchased.

Most clients of Advisor are engaged through a fee agreement. This arrangement helps align the wealth Advisor's incentive with the client's best interest. Usually, planning services are offered at Advisor's expense for the first Discover meeting and possibly the Planning and Implementation meetings as well.

Advisor may provide financial, retirement and estate planning for a fee generally determined upon the size and complexity of the estate being planned. This fee is often measured at approximately 1/10 of 1% of the clients' estate size. Hourly rates may be charged if agreed to by Advisor and are \$400 per hour for Mr. Welch's services and \$150 per hour for Advisor associates. Half of the fee is payable in advance and the balance is due at the time the wealth plan is presented.

Flat fees are charged for the Advisor's "Retirement Coaching" program. This program is designed as a monthly e-mail service that guides clients to make reallocations that are most appropriate for their respective risk tolerance and available retirement plan investment options. This fee is \$480 per year for the first year and then \$360 per year for subsequent years per account being allocated. This fee is billed in advance each month.

Types of Investments

Advisor primarily advises on exchange-listed, over-the-counter, foreign issuer equity securities, corporate debt securities, certificates of deposit, municipal securities, variable life insurance, variable annuities and mutual fund shares, United States government securities, and securities and commodities options contracts.

General Information

All investment management services may be provided on a discretionary or non-discretionary basis by the Advisor. Discretion means the trading activity within the Client's account(s) may be entered by the Advisor without receiving prior authorization for each trade. This discretion is authorized by the Client in writing (upon signing the Investment Advisory Agreement) and may be revoked at any time by submitting a written request to the Advisor. In most cases, discretion will be utilized. As of December 31, 2010, the Advisor's clients managed on a discretionary basis are \$80,247,723 and the clients managed on a non-discretionary basis are \$17,456,626 for a total of \$97,704,349. The Client will receive confirmations and statements showing all trading activity in the account(s).

Performance-Based Fees and Side-By-Side Management

No Advisor employee receives Performance-Based fees. Advice offered may involve investments in mutual funds. Clients are hereby advised that all fees paid for asset management services are separate and distinct from the fees and expenses charged by mutual funds (described in each mutual fund's prospectus) to their shareholders. Clients whose assets are invested in the shares of mutual funds pay with a direct management fee to the investment adviser and an indirect management fee through the mutual fund.

Some accounts that are older and have a lower fee are set up to have the client pay the brokerage fees themselves. These fees will not be marked up by the Advisor but passed on to the client in the same dollar amount that the Advisor pays at a wholesale level. Typically, no additional fees will be charged for the costs of the IRA custodian or for trading stocks, bonds and ETFs. No commissions are paid to the Advisor for investments made in the Models. No load, no ticket charge, and no short-term trading fee mutual funds will typically be selected for the mutual fund investments. The Advisor does not receive any 12b-1 fees in connection with its purchase of mutual funds for its clients.

The Advisor cannot be compensated on the basis of a share of capital gains or capital appreciation in Client's account. Exceptions to the minimum account size and fee may be made in the discretion of the Advisor.

Methods of Analysis, Investment Strategies, and Risk of Loss

Advisor typically uses fundamental and technical analysis to assist with investment decisions. The main sources are financial newspapers and magazines, research material prepared by others, corporate rating services, investment research, company press releases and annual reports, prospectuses, and SEC filings. The investment strategies used to implement advice include long and short-term purchases and short-term trading.

Advisor does not have custody of any client funds or securities, as the services of a qualified and independent custodian will be utilized for these asset management services.

The Five Target Models:

AGGRESSIVE GROWTH (Target 2035)

This strategy is more aggressive in that client assets are held in stocks that may be more volatile, bonds with higher yields or alternative strategies with additional risk. Volatility may be experienced because of a less frequent "Protect" strategy. This strategy may invest in smaller or mid-sized growth stocks to potentially experience additional momentum. The "Advance" strategy may be used more frequently than other clients may experience in the Growth, Balanced, Moderate and Conservative portfolios. The overall goal of this strategy is maximum total return through global investment options. Usually, this strategy appeals to the younger, more aggressive investor.

GROWTH (Target 2030)

The Growth strategy is for investors who want to participate in the market advances but also want to protect against market losses more than aggressive growth investors. This growth strategy usually has more money invested into stocks than bonds or alternative investments. Retired clients who have a higher risk tolerance may appreciate this strategy. The Growth strategy is a global total return strategy designed to help investor grow assets during bear market rallies or bull markets. The aim is to protect wealth during sideways or downward markets.

BALANCED (Target 2025)

The Balanced strategy is a middle of the road option for clients who are transitioning from capital appreciation to capital preservation. These investors like to make a little money during market rallies, but they also want a safety valve that is designed to reduce their portfolio risk at the right time. Keeping an investors' money in the right place at the right time is the desired outcome of this target Model. The balanced target Model may have a more equal allocation between stocks, bond and cash. Alternative investment strategies such as real estate, currencies, emerging markets, and commodities (including gold and silver) may be used.

MODERATE (Target 2020)

The Moderate strategy is designed to be just a notch above the conservative target Model. Moderate investors are concerned about loss of principle but still need to keep pace with inflation. This global, total return strategy will usually overweight the bond, cash and alternative investments relative to the stock investments. The four-step advance and protect strategy will be used with this Moderate strategy to research, respond, grow, and protect these investors. The stocks that are used may be less volatile than the choices for the balanced, growth, or aggressive growth investors. A combination of less stock exposure and less aggressive investment choices is the desired allocation of this moderate strategy.

CONSERVATIVE (Target 2015)

The Conservative Model has a larger ongoing exposure to bonds, cash, and alternative investments. Usually, this strategy will have a very limited upside exposure to stocks. If a specific limitation is desired, it can be listed in the investment paperwork. Investors seeking capital preservation and only slight capital growth should choose this option. As Will Rodgers said, "I am more concerned about the return of my principal than the return on my principal." Does this approach ring a bell with you? If it does, then maybe you should consider the Conservative strategy for your money. This global, total return strategy is designed for the conservative investor who wishes to pursue income, capital preservation, and minimal volatility.

Non-qualified Investments:

HEDGE TAX EFFICIENT (HTE) MODEL

The HTE strategy is a global, total return strategy designed as a longer-term, tax efficient strategy designed to purchase stocks that may be held for a longer period of time, bonds (that may include a laddered portfolio of individual, tax-free municipal bonds), and alternative strategies when needed. The hedge part of the HTE name may be implemented through alternative investment, inverse funds, or even options. Hedging may be used to create a collar around certain stock holdings, to potentially offset downwards or sideways pressure on the stock market or to attempt to gain some growth when all other asset classes are not performing.

HTE Model may be invested as growth, balanced, or conservative portfolios. Growth investors would seek capital growth of principal. Balanced investors are seeking both growth and income. Conservative investors would desire income and principal protection first. The Conservative HTE strategy would seek minimal capital growth as an inflation hedge.

The HTE Model is most appropriate for non-IRA investments held as JTWR0S, individual or trust accounts. HTE Models may be appropriate for non-qualified money when tax efficiency is desired. Will taxes go up in the future? If there will be higher taxes in the future, the HTE strategy may grow in popularity.

The investment committee will reassess portfolio managers to see if they are still performing up to expectations. If not, the manager may be replaced by another manager who is perceived to be able to add some type of value for clients. Both fundamental and technical indicators are used by the Advisor in its decision process. The nature of technical indicators is to determine trends and patterns in a stock, ETF, mutual fund, index, asset class or sector. There is, of course, no guarantee that this process will help move the client away from excessive risk at the right time or into the market when growth is to be made. There are no guarantees that the client will make money in the future since past performance is no guarantee of future success. Fundamental research includes reviewing the economy's leading indicators and the people, price, profitability and position of an investment being considered. Finally, it is the Advisor's belief that time in the market is the way to make money in stocks. Investments into equities are a long-term commitment that may experience dramatic losses and gains. Patience is often needed to make it through tough times.

Stock and bond investments face systemic risks like stock and bond market volatility, interest rate and inflation risks, economic upheaval, political unrest and behavioral economics. Stocks and bonds also face unsystematic risks such as business risks and industry risks. Fear and greed may force stocks to be very volatile even though all data points towards growth. Be aware that investments carry inherent risks that may cause loss of principal. Past performance is no guarantee of future results. Advisor is not in the business of rendering tax or legal advice. Please consult your attorney and/or CPA to obtain legal and tax advice.

Care should be taken in selecting your stock versus bond allocation, your risk tolerance and how you are feeling about the investment Model that you are invested in. Communication is key if you want to have any hope of having your Advisor meet your expectations. Let's talk about your expectation of us. We'd also enjoy a conversation about what we would expect from you assuming you become a client.

Investment Risks of the Program:

General. Sponsor attempts to accomplish the investment objectives of the Models. Although potential dividends are taken into account in selecting investments for use in all Models, they are not an objective and any generated will be reinvested. As with any investment, there can be no assurance that the Program's investment objectives will be obtained or that material loss will not be incurred, and Sponsor does not warrant investment success. By participating in the Program, Client acknowledges that Client is fully cognizant of the risks described herein.

Securities markets are volatile and the Program may under perform various market indices and the various mutual funds themselves on an unmanaged basis. While Sponsor's investment decisions may have been successful in the past or have demonstrated the possibilities of success in research studies, they may be changed or be ineffective as applied to future market environments.

Sponsor by necessity relies on information, data and software provided by third parties, whose reliability, while believed to be accurate, cannot be guaranteed and losses may result from reliance upon them. These are normal risks for which the Sponsor takes no responsibility beyond use of reasonable care in their selection.

The Program may be utilized as a part of a diversified investment approach combining other strategies with differing risk profiles. Consideration should be given to combining lower risk strategies with higher risk strategies in order to reduce the overall risk of the Client's account. Notwithstanding the selection of multiple Portfolios to achieve diversification, the fact that certain Models may, in part, draw upon substantially similar investment vehicles will, under certain circumstances, result in different Models holding the same or similar asset classes. This potential investment concentration in a particular asset class increases risk for the period during which such concentration exists. All Models described are managed by Sponsor with the objective of attaining the highest appreciation potential while attempting to minimize the risks.

Certain Models may be exposed to additional risks. For example, while efforts have been made to reduce potential volatility through selection of eligible funds for certain Models, the strategy retains most of the risk associated with buy and hold strategies in general. Investments may experience material draw-downs during

any period of general weakness in equity markets. Withdrawals required by a Client during any such period will materially reduce overall investment performance of investments managed in the Model(s).

Certain Models may utilize funds that restrict investment in their Model companies to achieve the Sponsor's definition of what may constitute "social consciousness." By imposing such restrictions, these funds may well neglect superior potential investment gains to be realized in particular equities or in whole segments of industry and may, therefore, materially under perform funds managed without such restrictions.

Risk Considerations. Some Models may be characterized as having low to moderate risk even though they may utilize investments normally characterized as having higher risk (since aggressive investment vehicles may be used to meet various objectives).

Concentrated Investments. Model selections with investments concentrated in particular market segments (global or sector, for example) or strategic style (momentum or tactical asset allocation based) may bear a greater degree of market risk than a diversified investment Models.

International Funds. Mutual funds, which invest predominately in shares or obligations of companies organized outside the United States, have special risks. The investments of such funds may be materially impacted by unstable political environments in the country of organization of their Model companies and by foreign currency exchange fluctuations. Foreign taxes and differences in financial and accounting standards from those applicable to U.S. companies introduce additional risks.

Precious Metals Funds. Mutual funds that invest predominately in the shares of companies engaged in exploration, recovery, refinement and sale of natural resource commodities such as energy, gold, silver, platinum, and palladium tend to reflect the changing values of the commodities and therefore are subject to substantial volatility.

Industry or Country Specific and Regional Funds. Mutual funds which invest predominately in shares of companies engaged in a specific industry or in shares of companies in a particular country or region bear a greater degree of risk than diversified mutual funds since they tend to incur greater loss of value in the event that the particular industry, country or region suffers loss of investor favor. Such funds are volatile and since Sponsor's strategies for use of such funds incorporate minimum holding periods, larger draw-downs are possible during such holding periods.

Index and Leveraged Funds (including Inverse Funds). Such funds make substantial use of short sales, options and futures contracts (so called derivative investments) to achieve the target leverage (which may result in an increase of price volatility and percent movement based on the beta to the referenced index). These funds incur distinct investment risks and transaction costs in implementing their objectives. Any strategy employing equity or income mutual funds may use inverse funds in implementing the strategy described.

Income Funds. When utilized in Sponsor's strategies, income funds may include investment exposure to alternative investments, US Treasury bonds and notes, Government sponsored enterprises (such as Fannie Mae and Freddie Mac), US dollar denominated corporate obligations, mortgage and asset backed securities, zero coupons, commercial paper and other money market instruments, fixed-income securities issued by foreign governments, some of which may be issued by governments in emerging market countries, and which may be denominated in either U.S. dollars or foreign currencies, and corporate obligations, of various grades of credit worthiness, ranging from high to low, including income yielding ETFs, preferred and common stocks, and high-yield (junk) and convertible bonds, all of which may be more volatile than other bond investments and more responsive to equity market movements (up and down) than interest rate changes. In addition, Sponsor may use a limited percentage of investment in inverse bond funds, profit from a rising interest rate environment, but which have no yield and decline in value when interest rates fall. In addition to principal risk, income investments are subject to credit risk and interest rate changes. Risks, in some instances, include pre-payment and other risks arising from mortgage and asset backed securities.

Implementation of Strategy Changes. The investment decision making process implemented by the Sponsor includes quarterly assessments, monthly reallocations and weekly buy, sell and hold decisions, if necessary. Adjustments are also made in reaction to dramatic moves in the market that requires immediate action. Generally, on a monthly basis, the Models are reallocated as necessary among styles, sectors and asset classes. On a quarterly basis, the individual holdings are reassessed and realigned in an effort to move money to the right place at the right time.

Changes in Client strategy, whether initiated by written notice from Client or Client's agent or required by change in Client's circumstances, are effected by Sponsor only once per week. Strategy changes may take several weeks to implement in order to reduce the impact of platform trading rules and short-term redemption fees. All trading is on a "best efforts" basis.

Trading Restrictions. In addition, other trading restrictions may be imposed by particular mutual funds that may or may not be disclosed by prospectus, but imposed by such funds specifically on Sponsor. In all cases, Sponsor will use best efforts to ensure that Client's account is not adversely affected by any such restrictions.

Account Liquidity Reserve. Approximately 5% of Client assets may be maintained in cash equivalent investments by the Custodian. This reserve is utilized to facilitate trade settlements in the Client's account. This may reduce Client returns. The percentage of money allocated to money market instruments may exceed 5% in markets that motivate the Sponsor to do so. All Models utilize minimum holding periods in order to minimize the frequency of trading and to promote positive operating relationships with the mutual funds employed. While the use of such holding periods increases the number and variety of funds available within each Model, their use increases the downside risk of the investment as compared to a strategy that does not impose such holding periods. The numbers of trades in some Model strategies are substantially higher than other Model offered by Sponsor resulting in more record keeping for the client. The individual Model strategies are not intended to be exclusive strategies for management of a Client's investments. They are intended to constitute a part of a diversified investment approach combining other strategies with differing risk profiles.

Program Material Risks

Market Risk. Participation in the Program subjects the Client to marketplace risks and is of consequence to the Client. There is no guarantee that the investment objectives of the Models or of the Program will be obtained.

Third-Party Risk. Third parties (including without limitation, broker dealers, registered representatives, insurance agents, investment advisers, custodians, trusts, mutual funds and insurance companies, transfer agents, employees and agents of each of them) provide services, systems, information, programs and data upon which Sponsor relies and is believed to be reliable but is unable to guarantee. As such, all trading is on a "best efforts" basis.

Fees. Mutual funds may impose substantial redemption charges on investments held for less than a minimum period as established by the mutual fund. While reasonable efforts will be made by Sponsor where possible to avoid imposition of such charges, no guarantee is made that Client will not incur such charges. Clients entering and exiting a strategy using funds with redemption fees may incur such charges. Redemption charges are incurred by the Client and are not included in Sponsor's fee.

Terminations. Either party upon written notice to the other party may terminate the investment management contract. If a termination request is received from the Client, the Sponsor shall notify the Custodian within five trading days of such termination. If an exchange occurs during this period, the Client's funds may or may not be exchanged for which Sponsor shall not be held responsible. Upon termination, Program investments will be liquidated.

Risk Considerations. In addition to the general investment risks of the Program, specific risks may be associated with the individual strategy(s) selected. Details are provided under "Investment Risks of the Program" and should be reviewed as applicable.

For additional details and other risk factors please review your investment management agreement and the contents of the Sponsor's Part 2 of Form ADV.

Voting Client Securities

A. General Statement of Policy. The Advisor will vote proxies for its clients. When the Advisor votes proxies it generally follows the so-called "Wall Street Rule" (i.e., it votes as management recommends or sells the stock prior to the meeting). The Advisor believes that following the "Wall Street Rule" is consistent with the economic best interests of its clients. Consistent with its duty of care, the Advisor monitors proxy proposals just as it monitors other corporate events affecting the companies in which its clients invest. In the rare circumstances that the Advisor would vote against management's recommendations, a detailed explanation as to the reason for divergence with the Board's recommendation would be put into writing and maintained in the client file.

B. Conflicts of Interest. There may be instances where the interests of the Advisor may conflict or appear to conflict with the interests of its client. In such situations, the Advisor will, consistent with its duty of care and duty of loyalty, vote the securities in accordance with its pre-determined voting policy, the "Wall Street Rule", but only after disclosing the conflict to clients and affording the clients the opportunity to direct the Advisor in the voting of such securities.

- C. Record Keeping. The Advisor will maintain the following records with respect to proxy voting:
- (1) A copy of this proxy voting policy;
 - (2) A copy of all proxy statements received (the Advisor may rely on the EDGAR system to satisfy this requirement);
 - (3) A record of each vote cast on behalf of a client (the Advisor may rely on a third party to satisfy this requirement);
 - (4) A copy of any document prepared by the Advisor that was material to making a voting decision or that memorializes the basis for that decision; and
 - (5) A copy of each written client request for information on how the Advisor voted proxies on the client's behalf, and a copy of any written response to any (written or oral) client request for information on how the Advisor voted proxies on behalf of the requesting client.
- D. Disclosure. The Advisor will furnish a copy of this policy to all of its clients. The Advisor will disclose to clients how proxies were voted upon request.

ITEM 7 Client Information Provided to Portfolio Managers

Investment Account Reviews:

Mr. Welch takes a proactive wealth management approach and typically meets with the IPC to review the Models twice weekly. Typically, Client accounts with assets under \$1,000,000 are designed with no-load mutual funds and are reallocated, if necessary, on a monthly basis. Client accounts of \$1,000,000 or more of assets may hold a combination of mutual funds, ETFs and stocks. These accounts are managed more proactively due to the increased volatility of individual stock holdings. Technical indicators help drive the Sponsor's buy, sell or hold decisions for stocks and ETFs in the Models. Mutual funds are not traded as often as the stocks or ETFs. The Models are designed with a core of mutual funds and, for Models over \$1,000,000, the balance in stocks and ETFs.

ITEM 8 Client Contact with Portfolio Managers

The client may contact the Sponsor/Portfolio Manager and consult with their portfolio manager at any time. There are no restrictions for contacting their Portfolio Manager.

ITEM 9 Additional Information

Disciplinary Information

There are no legal or disciplinary events that are related to the Advisor's business or the integrity of Advisor's management.

Other Financial Industry Activities and Affiliations

The Advisor may also receive compensation from the following sources which do not involve the management of a client portfolio: (1) Financial Education Seminars and Workshops, (2) Writing articles and books and other publications, and (3) Radio Programs.

The Advisor may provide complimentary consultations to certain local groups including: 1) Discovery, 2) Planning with Recommendations, 3) Implementation and 4) Review meetings. During the Final Recommendations meeting, the client is asked to execute an investment management agreement for implementation of the plan.

The Advisor may also offer a Financial Roadmap complimentary consultation. During this planning meeting, Advisor may ask the client to execute a financial planning agreement for creating a financial strategy. During the implementation meeting, Advisor asks the client to execute and investment management agreement for implementation of the plan.

Through an affiliated company, Estate Planning, Inc., Mr. Welch also sells insurance products that include variable annuities and variable life insurance, disability, term life, universal and whole life and long-term care insurance. This part of Mr. Welch's business comprises about 21% of his time.

No Advisor employee has a pending application to register as a Registered Representative, an associated person of a futures commission merchant, a commodity pool operator, or a commodity trading adviser. Advisor does not have a pending application to register as a broker-dealer, a futures commission merchant, a commodity pool operator, or a commodity trading adviser.

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

The associated persons of the Advisor may invest for their own accounts the same securities that it recommends to clients. The Advisor has adopted a Code of Ethics and Professional Standards (the "Code") to help avoid prohibited acts and to eliminate potential conflicts of interest. The Code works in conjunction with the Compliance Manual, and is designed to govern personal securities trading and detect/prevent insider trading. The Code, among other things, sets forth the Advisor's policy that clients' interests are always placed ahead of any personal interest. The Advisor's policy requires buying and selling after or with transactions completed for clients and includes procedures requiring all employees of the Advisor to report their personal securities transactions to the Advisor's designated supervisor on a quarterly basis. The Code also forbids any member or employee of the Advisor from

trading, either personally or on behalf of others on material non-public information or communicating material non-public information to others in violation of the law (i.e., insider trading). The Advisor believes that the Code and Compliance Manual are designed to detect and prevent insider trading and to govern personal securities trading are appropriate to prevent or eliminate potential conflicts of interest situations between the Advisor, its employees and members and the Advisor's clients. However, clients should be aware that no set of rules can possibly anticipate or relieve all potential conflicts. Clients may contact the Advisor, 608-783-0003, to request a copy of its Code of Ethics.

Review of Accounts

The Advisor's Investment Policy Committee plans to meet twice weekly to discuss topics that include the market, economy, and client target Models. The Investment Policy Committee includes all supervised persons. Each client's account is reviewed with the client once, twice, or three times a year as the client requires. Some meetings are held in person and some are via telephone. Educational and social events are conducted throughout the year and a market message is prepared when significant changes have occurred.

The investment custodian will provide clients with electronic monthly statements, trade confirmations, prospectuses and annual reports by e-mail, if possible and, if not, by regular mail. Clients will also receive written quarterly statements by mail from the Advisor measuring account performance.

Client Referrals and Other Compensation

See above Other Financial Industry Activities and Affiliations on page 16, as the Other Compensation response.

Through an affiliated company, Estate Planning, Inc., Mr. Welch also sells insurance products that include variable annuities and variable life insurance, disability, term life, universal and whole life and long-term care insurance. This part of Mr. Welch's business comprises about 21% of his time.

The Advisor may also receive compensation from the following sources which do not involve the management of a client portfolio: (1) Financial Education Seminars and Workshops, (2) Writing articles and books and other publications, and (3) Radio Programs.

All employees receive a bonus and, at times, it is based on new accounts. All supervised persons have an additional bonus based on new business, which may be in the form of a portion of the commission if it is a brokerage product and if it is an investment management product, it is a portion of the asset under management fee. If the supervised person is employed by the Advisor for ten years and is 59 and 1/2, a deferred compensation arrangement exists.

Financial Information

Advisor does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Advisor does **not** have custody of any client funds. Advisor does send account statements to its clients and urges its clients to compare the account statements they receive from the qualified custodian with those that they receive from the Advisor.

Advisor has not been subject of a bankruptcy petition at any time.