

**Elite Capital Management Group, LLC**  
**Form ADV Part 2A**  
**Investment Adviser Brochure**

**March 2011**

This brochure provides information about the qualifications and business practices of Elite Capital Management Group, LLC. If you have any questions about the contents of this brochure, please contact Matthew P. Butler, President and Chief Compliance Officer. 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 Elite Capital Management Group, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 2: Summary of Material Changes

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### Introduction

In July, 2010, the United State Securities and Exchange Commission published a new rule “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Item will discuss only specific material changes that are made to Elite Capital Management Group, LLC’s (Elite or the Firm) Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

### Full Brochure Available

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, Elite’s Brochure may be requested by contacting Matthew P. Butler, President and Chief Compliance Officer at 203.699.9662 or [matthew.butler@elitecapgroup.com](mailto:matthew.butler@elitecapgroup.com).

Additional information about Elite is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Elite who are registered, or are required to be registered, as investment adviser representatives of Elite.

## Item 3: Table of Contents

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<b>Item 2: Summary of Material Changes</b>	<b>2</b>
Introduction	2
Full Brochure Available	2
<b>Item 4: Advisory Business</b>	<b>5</b>
Firm Description and Types of Advisory Services	5
Principal Owners	5
Types of Advisory Services	5
Investment Advisory Services	5
Tailored Relationships	5
Wrap Fee Programs	5
Client Assets	6
<b>Item 5: Fees and Compensation</b>	<b>7</b>
Compensation	7
Calculation and Payment	7
Agreement Terms	7
General Information on Compensation and Other Fees	7
<b>Item 6: Performance-Based Fees and Side-by-Side Management</b>	<b>9</b>
<b>Item 7: Types of Clients</b>	<b>10</b>
Types of Clients	10
Account Minimums	10
<b>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss</b>	<b>11</b>
Methods of Analysis	11
Investment Strategies	11
Risk of Loss	11
Initial Public Offerings	12
<b>Item 9: Disciplinary Information</b>	<b>13</b>
Legal and Disciplinary	13
<b>Item 10: Other Financial Industry Activities and Affiliations</b>	<b>14</b>
Financial Industry Activities – Broker-Dealers	14
Financial Industry Activities – Futures and Commodities	14
Other Activities and Affiliations – Not Applicable	14
<b>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</b>	<b>15</b>
Code of Ethics	15
Participation or Interest in Client Transactions – Personal Securities Transactions	15
Participation or Interest in Client Transactions – Financial Interest and Principal/Agency Cross	15
<b>Item 12: Brokerage Practices</b>	<b>17</b>
Research and Other Soft Dollar Benefits	17
Brokerage for Client Referrals	17
Directed Brokerage	17
Directed Brokerage – Other Economic Benefits	18

Trade Aggregation	19
<b>Item 13: Review of Accounts</b>	<b>20</b>
Reviews	20
Review Triggers	20
Reporting	20
<b>Item 14: Client Referrals and Other Compensation</b>	<b>21</b>
Other Compensation	21
Other Compensation – Brokerage Arrangements	21
Compensation – Client Referrals – Solicitation Arrangement	21
<b>Item 15: Custody</b>	<b>22</b>
Custody – Fee Debiting	22
Custody – Account Statements	22
<b>Item 16: Investment Discretion</b>	<b>23</b>
Discretionary Authority for Trading and Limited Power of Attorney	23
<b>Item 17: Voting Client Securities</b>	<b>24</b>
Proxy Voting	24
<b>Item 18: Financial Information</b>	<b>25</b>
Financial Condition	25
<b>Other Information</b>	<b>26</b>
Privacy	26
Business Continuity Plan	26
<b>Form ADV Part 2B – Investment Adviser Brochure Supplement</b>	<b>28</b>
<b>Educational Background and Business Experience</b>	<b>29</b>
Education and Business Background	29
Professional Certifications	29
Supervised Persons	29
<b>Disciplinary Information</b>	<b>31</b>
<b>Other Business Activities</b>	<b>32</b>
<b>Additional Compensation</b>	<b>33</b>
<b>Supervision</b>	<b>34</b>

## **Item 4: Advisory Business**

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### **Firm Description and Types of Advisory Services**

Elite is an investment adviser. Elite provides investment advisory services to credit unions.

Elite was founded in 2007.

### **Principal Owners**

Elite is owned solely by Matthew P. Butler, President and Chief Compliance Officer.

### **Types of Advisory Services**

#### **Investment Advisory Services**

Elite's flagship program is the Elite Yield Enhancement Pre-Funding Program® which is designed to help credit unions reduce net out-of-pocket employee benefits expenditures. The Elite Yield Enhancement Pre-Funding Program® seeks to invest a portion of the client's available liquidity in investments that offer potentially higher returns than traditional credit union investments provide.

At account inception, Elite prepares an Employee Benefits Cost Analysis (EBCA), which is updated annually. The EBCA ensures that there is a direct relationship between the client's investment and their current and estimated future employee benefit plan obligation.

Elite manages its portfolios using tactical asset allocation strategies combined with a "loss threshold" specifically designed for credit unions. The goal of the portfolio is to provide yields and total returns which are higher than what traditional credit union investments can offer. Assets are managed using multiple asset classes within globally diversified portfolios which Elite deems appropriate for credit unions. Portfolios are constructed using a combination of mutual funds, ETFs, individual securities, and separate account managers. Separate account managers are selected using various factors, including management style, client risk tolerance, and the investment philosophy of the independent manager.

### **Tailored Relationships**

Elite tailors investment advisory services to the individual needs of the client. The goals and objectives for each client are documented in our client relationship management system. Investment policy statements are created that reflect the stated goals and objective. Elite's clients are allowed to impose restrictions on the investments in their account. Elite may accept any reasonable limitation or restriction to discretionary authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to Elite in writing.

### **Wrap Fee Programs**

Elite does not participate in a Wrap Fee Program.

**Client Assets**

As of January 31, 2010, Elite managed approximately \$135 million in assets; all assets are managed on a discretionary basis.

## Item 5: Fees and Compensation

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### Compensation

Elite bases its fees on a percentage of assets under management. Elite's fee schedules are described below.

#### Compensation – Investment Advisory Services

ASSETS UNDER MANAGEMENT	ANNUAL FEE
First \$5,000,000	0.85%
Next \$5,000,000	0.50%
\$10,000,000 +	0.30%

### Calculation and Payment

The specific manner in which fees are charged by Elite is established in a client's written agreement with Elite. Elite will generally calculate fees arrears on a quarterly basis. Because fees are charged in arrears, no refund policy is necessary. Clients may elect to be invoiced directly for fees or to authorize Elite to directly debit fees from client accounts.

Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

### Agreement Terms

A client may terminate the client agreement at any time by notifying Elite in writing.

#### General Information on Compensation and Other Fees

In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation – such as the size of the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation. Lower fees for comparable services may be available from other sources.

Elite's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus.

Such charges, fees and commissions are exclusive of and in addition to Elite's fee, and Elite shall not receive any portion of these commissions, fees, and costs.

All fees paid to Elite for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees will generally include a management fee, other fund expenses and a possible distribution fee. Mutual funds purchased by Elite for a client account will be executed at NAV. Clients may also incur charges for other account services provided by custodians not directly related to the execution and clearing of transactions including, but not limited to, safekeeping fees, and fees for legal or courtesy transfers of securities.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.



## **Item 6: Performance-Based Fees and Side-by-Side Management**

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Neither Elite nor any of its Supervised Persons (employees) accepts performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Elite does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

## **Item 7: Types of Clients**

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### **Types of Clients**

As described in Item 4, Elite's clients include credit unions.

### **Account Minimums**

Elite requires a minimum account of \$5,000,000 for investment advisory clients, although this may be negotiable under certain circumstances.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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### **Methods of Analysis**

Elite may employ the following security analysis methods: Fundamental analysis; technical analysis; scenario analysis at both the macro and asset class level, and cyclical analysis.

Elite uses the following main sources of information including, research materials prepared by others, and annual reports, prospectuses, filings with the Securities and Exchange Commission (SEC), and company press releases.

Other sources of information that Elite may use include information from investment managers, financial service companies, data base companies, Advisor Intelligence (Litman/Gregory), and the Internet.

### **Investment Strategies**

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

### **Risk of Loss**

Investing in securities involves risk of loss that clients should be prepared to bear. All investment programs have certain risks that are borne by the investor. Elite's investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Currency Risk:** Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Elite reserves the right to advise clients on any other type of investment that it deems appropriate based on the client's stated goals and objectives. Elite may also provide advice on any type of investment held in a client's portfolio at the inception of the advisory relationship or on any investment on which the client requests advice.

### **Initial Public Offerings**

Elite typically does not participate in initial public offerings on behalf of its clients.

## Item 9: Disciplinary Information

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### Legal and Disciplinary

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Elite or the integrity of Elite's management. Elite has no information to disclose applicable to this Item.

## **Item 10: Other Financial Industry Activities and Affiliations**

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### **Financial Industry Activities – Broker-Dealers**

Elite is not registered as a broker-dealer, and none of its management persons are registered representatives of a broker-dealer.

### **Financial Industry Activities – Futures and Commodities**

Neither Elite nor any of its management persons is registered as (or associated with) a futures commissions merchant, commodity pool operator, or a commodity trading advisor.

### **Other Activities and Affiliations – Not Applicable**

Neither Elite nor any of its management persons have a material relationship or arrangement with any related person or financial industry entities, including:

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant
10. real estate broker or dealer
11. sponsor or syndicator of limited partnerships.

### **Other Investment Advisors**

Elite does not have any business relationships with investment advisors that may create a material conflict of interest.

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

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### **Code of Ethics**

Elite's employees must comply with a Code of Ethics and Statement for Insider Trading. The Code describes the Firms' high standard of business conduct, and fiduciary duty to its clients. The Code's key provisions include:

- Statement of General Principles
- Policy on and reporting of Personal Securities Transactions
- A prohibition on Insider Trading
- Restrictions on the acceptance of significant gifts
- Procedures to detect and deter misconduct and violations
- Requirement to maintain confidentiality of client information

Matthew P. Butler, President and Chief Compliance Officer, reviews all employee trades each quarter. These reviews ensure that personal trading does not affect the markets, and that clients of Elite receive preferential treatment.

Elite's employees must acknowledge the terms of the Code of Ethics at least annually. Any individual not in compliance with the Code of Ethics may be subject to termination.

Clients and prospective clients can obtain a copy of Elite's Code of Ethics by contacting Matthew P. Butler at 203.699.9662.

### **Participation or Interest in Client Transactions – Personal Securities Transactions**

Elite and its employees may buy or sell securities identical to those recommended to clients for their personal accounts. The Code of Ethics, described above, is designed to assure that the personal securities transactions, activities and interests of the employees of Elite will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities, primarily mutual funds, have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Elite's clients. In addition, the Code requires pre-clearance of many transactions. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and designed to reasonably prevent conflicts of interest between Elite and its clients.

### **Participation or Interest in Client Transactions – Financial Interest and Principal/Agency Cross**

Elite and its employees do not recommend to clients, or buy or sell for client accounts, securities in which they have a material financial interest.

It is Elite's policy that the Firm will not affect any principal or agency cross securities transactions for client accounts. Elite will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.



## Item 12: Brokerage Practices

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### Research and Other Soft Dollar Benefits

Elite does not receive formal soft dollar benefits other than execution from broker/dealers in connection with client securities transactions. See disclosure below in “Directed Brokerage – Other Economic Benefits”.

### Brokerage for Client Referrals

Elite does not receive client referrals from broker/dealers.

### Directed Brokerage

While not routine, clients may come to Elite with an existing brokerage relationship and direct Elite to execute their trades through that broker/dealer. Clients normally negotiate commissions directly with their broker/dealer. Elite will not seek better execution services or prices from other brokers/dealers and as a result, client could pay higher commissions, other transaction costs, greater spreads, or receive less favorable net prices on transactions for client’s account than would otherwise be the case.

If a client does not have an existing relationship with a broker/dealer, Elite may suggest the use of and request the client to authorize discretion on an account established through a variety of brokerage firms. Elite shall direct such transactions through broker-dealers that Elite reasonably believes will provide best execution. Elite shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its client in light of its duty to obtain best execution.

Elite may recommend that clients establish brokerage accounts with the Schwab Institutional division of Charles Schwab & Co., Inc. (Schwab), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Elite may recommend/require that clients establish accounts at Schwab, it is the client's decision to custody assets with Schwab. Elite is independently owned and operated and not affiliated with Schwab.

Elite is independently owned and operated and not affiliated with Schwab. Schwab provides Elite with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis **and are not otherwise contingent upon Elite committing to Schwab any specific amount of business** (assets in custody or trading).

For Elite’s client accounts maintained there, Schwab is compensated through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts. The brokerage commissions and/or transaction fees charged by Schwab or any other designated broker-dealer are exclusive of and in addition to Elite’s fees.

## **Directed Brokerage – Other Economic Benefits**

As Elite will recommend certain broker/dealers to clients, Elite may receive some non-monetary economic benefit, which it would not otherwise receive if not for those referrals. As described above, Elite generally trades on the Schwab platform. While there is no direct linkage between the investment advice given and use of the Schwab platform, economic benefits are received. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements, access to a trading desk serving Schwab platform participants exclusively, access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts, ability to have investment advisory fees deducted directly from client account, access for a fee, to an electronic communications network for client order entry and account information, receipt of compliance publications, and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors.

Schwab also provides Elite with access to its institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Institutional. These services are not contingent upon Elite committing to Schwab any specific amount of business (assets in custody or trading commissions). Schwab's brokerage services include the execution of securities transactions, 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.

For Elite client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab Institutional also makes available to Elite other products and services that benefit Elite but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Elite's accounts, including accounts not maintained at Schwab.

Schwab's products and services that assist Elite in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Elite's fees from its clients' accounts; and (v) assist with back-office functions, record keeping and client reporting.

Schwab Institutional also offers other services intended to help Elite manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital

consultants and insurance providers. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Elite. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of Elite personnel. In evaluating whether to recommend or require that clients custody their assets at Schwab, Elite may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

### **Trade Aggregation**

Oftentimes, a trade is aggregated for multiple accounts. If the order is filled at different prices during the day, the prices are averaged for the day so that all participating accounts receive the same price. If an order has not been filled completely so that there are not enough shares to allocate among all the clients equally, shares will be allocated in good faith, based on the following considerations: amount of cash in the account, existing asset allocation and industry exposure, risk profile, and type of security.

As a matter of policy, Elite's allocation procedure must be fair and equitable to all clients with no particular group or client(s) being favored or disfavored over any other clients.

Accounts for Elite or its employees will not be included in a block trade with client accounts.

## **Item 13: Review of Accounts**

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### **Reviews**

Matthew P. Butler, President and Chief Compliance Officer, is responsible for overseeing all reviews. Portfolios are frequently monitored and reviewed informally, and formally reviewed each quarter. All positions held are monitored daily for real time price action, news, earnings, and other significant facts. Further sector allocations are reviewed on an on-going basis to ensure allocations are in-line with current strategies.

Reviews could also occur at the time of new deposits, material changes in client's financial information, changes in economic cycles, at Matthew P. Butler's discretion, or as often as the client may direct. Reviews entail analyzing securities, sensitivity to overall markets, economic changes, investment results, asset allocation, and technical erosion or strength, etc., to ensure the investment strategy and expectations are structured to continue to meet clients' objectives.

Elite encourages frequent client contact, but will seek out contact no less than annually. Clients are obligated to promptly notify Elite of any changes in the client's financial status to ensure that investment strategies continue to meet the client's changing needs.

### **Review Triggers**

Other conditions that may trigger a review are changes in market, political or economic conditions, tax laws, new investment information, and changes in a client's own situation.

### **Reporting**

Clients receive holding and activity reports at least monthly from qualified custodians. Elite also prepares monthly, quarterly, and annual reports and communications related to investment advisory services provided or as may be requested by clients.

## **Item 14: Client Referrals and Other Compensation**

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### **Other Compensation**

Elite does not receive any formal economic benefits (other than normal compensation) from any firm or individual for providing investment advice.

### **Other Compensation – Brokerage Arrangements**

See disclosure in Item 12 regarding compensation, including economic benefits received in connection with giving advice to clients.

### **Compensation – Client Referrals – Solicitation Arrangement**

From time to time Elite may pay for client referrals. Such referral agreements and the related activities will be in compliance with Rule 206(4)-3 under the Advisers Act. Rule 206(4)-3 specifies certain standards that must be met by an investment adviser prior to the payment of a cash fee directly or indirectly, for a client solicitation or referral. All fee sharing arrangements will be disclosed to the client and Elite's fee will remain the same regardless of whether a fee is paid.

## Item 15: Custody

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### **Custody – Fee Debiting**

Clients may authorize Elite (in the client agreement) to debit fees directly from the client's account at the broker dealer, bank or other qualified custodian (custodian). Client investment assets will be held with a custodian agreed upon by the client and Elite. The custodian is advised in writing of the limitation of Elite's access to the account. The custodian sends a statement to the client, at least monthly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to Elite.

While Elite will assist clients in establishing and maintaining accounts at the custodian, Elite shall have no responsibility or liability with respect to custodial arrangements or the acts, omissions or other conduct of the custodian.

### **Custody – Account Statements**

As described above and in Item 13, clients receive at least monthly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Clients are urged to carefully review such statements and compare such official custodial records to the account statements or other reports that Elite provides. Elite statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## Item 16: Investment Discretion

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### **Discretionary Authority for Trading and Limited Power of Attorney**

Through the investment management agreement, Elite may accept limited power of attorney to act on a discretionary basis on behalf of clients. A limited power of attorney allows Elite to execute trades on behalf of clients.

When such limited powers exist between the Elite and the client, Elite has the authority to determine, without obtaining specific client consent, both the amount and type of securities to be bought to satisfy client account objectives. Additionally, Elite may accept any reasonable limitation or restriction to such authority on the account placed by the client. All limitations and restrictions placed on accounts must be presented to Elite in writing.

However, Elite consults with the client prior to each trade to obtain concurrence if a blanket trading authorization has not been given.

## Item 17: Voting Client Securities

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### Proxy Voting

Elite votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy.

Elite acts as a discretionary investment adviser for various clients, including clients governed by the Employee Retirement Income Security Act of 1974 (ERISA).

Upon execution of the client Agreement, the client elects to:

- Assign the responsibility for voting all proxies solicited by issuers of securities held in the Portfolio to Elite, or
- Retain the responsibility for voting all proxies solicited by issuers of securities held in the Portfolio. See disclosures above regarding proxies voted by clients.

When the responsibility to vote proxies has been assigned to Elite, the firm's utmost concern is that all decisions be made solely in the best interest of the client (and for ERISA accounts, plan beneficiaries and participants, in accordance with the letter and spirit of ERISA). Elite will act in a prudent and diligent manner intended to enhance the economic value of the assets of the client's portfolio.

The Chief Compliance Officer is ultimately responsible for ensuring that all proxies received by Elite are voted in a timely manner and in a manner consistent with Elite's determination of the client's best interests. Although many proxy proposals can be voted in accordance with Elite's established guidelines, Elite recognizes that some proposals require special consideration, which may dictate that Elite makes an exception to the guidelines.

Clients may direct Elite's vote; direction must be received in writing.

Clients may contact Matthew P. Butler at 203.699.9662 for information about Elite's Proxy policies. Clients may also request information about how Elite voted any proxies on behalf of their account(s).



## Item 18: Financial Information

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### Financial Condition

Elite has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Elite is not required to provide a balance sheet; Elite does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

## Other Information

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### **Privacy**

Elite is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver our Privacy Notice to you annually, in writing.

### **Business Continuity Plan**

Elite has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people. The Business Continuity Plan covers natural and man-made disasters. Electronic files are backed up daily and archived offsite.

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. Elite's intention is to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

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**Elite Capital Management Group, LLC**  
**Form ADV Part 2B**  
**Investment Adviser Brochure Supplement**

**Supervisor and Supervised Person:**  
Matthew P. Butler

**March 2011**

This brochure supplement provides information about the Firm's Supervised Persons that supplements the Elite Capital Management Group, LLC's brochure. You should have received a copy of that brochure. Please contact Matthew P. Butler, President and Chief Compliance Officer, if you did not receive Elite Capital Management Group, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about the Firm's Supervised Persons is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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[www.elitecapgroup.com](http://www.elitecapgroup.com)

## Educational Background and Business Experience

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### Education and Business Background

Representatives of Elite are required to have a four-year college degree, CLU/ChFC/CFP®/CFA or equivalent business experience of 10 years or more, and to be current on all continuing education.

### Professional Certifications

Matthew P. Butler maintains one professional designation, described below:

#### **ChFC - Chartered Financial Consultant**

**Issued by:** The American College

**Prerequisites/Experience Required:** Candidate must meet the following requirements:

- 3 years of full-time business experience within the five years preceding the awarding of the designation

**Educational Requirements:** 8 core and 4 elective courses

**Examination Type:** Final proctored exam for each course

**Continuing Education/Experience Requirements:** 30 CE credits every 2 years

### Supervised Persons

<b>Matthew Paul Butler</b>	Year of Birth: 1966
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#### **EDUCATION:**

BA, Economics, Finance, Political Science Southern CT State University	1994
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#### **EMPLOYMENT:**

Elite Capital Management Group, LLC President and Chief Compliance Officer	2007 – Present
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Cambridge Investment Research Registered Representative / Investment Advisor Representative	2007
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CUNA Brokerage Services Registered Representative / Investment Advisor Representative	2002 – 2007
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## **PROFESSIONAL DESIGNATIONS AND LICENSES:**

ChFC - Chartered Financial Consultant

## Disciplinary Information

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### Disciplinary Information

Neither Elite nor any Supervised Persons have been involved in any activities resulting in a disciplinary disclosure.

## Other Business Activities

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### Other Business Activities

As disclosed in Form ADV Part 2A Item 10 – Other Financial Industry Activities and Affiliations, Matthew P. Butler is not actively engaged in any outside business activities.

As disclosed in Form ADV Part 2A Item 5 – Fees and Compensation, neither Elite nor any Supervised Persons receive commissions, bonuses or other compensation based on the sale of securities or other investment products.



## **Additional Compensation**

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No Supervised Person receives any economic benefit outside of regular salaries or bonuses related to amount of sales, client referrals or new accounts.

## Supervision

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### Supervision

Matthew P. Butler is the sole Supervised Person named in this Form ADV Part 2B Investment Adviser Brochure Supplement. Matthew P. Butler may be reached at 203.699.9662.