

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

Touchstone Financial Management
Creating financial independence one client at a time

Touchstone Financial Management is a fee based asset management firm that prides itself on unparalleled service and performance. We are committed to providing objective and independent advice to our clientele. Our services are always tailored to the clients unique needs. We provide investment management, retirement planning, and education planning. Our fee based approach allows us to serve you without compromise.

Investment Management

Touchstone Financial Management will allocate the clients resources through a diversified portfolio of stocks, bonds, mutual funds and cash as determined by their risk tolerance. Our investment choices are based on various sources of research from around the globe. The performance of your portfolio can be tracked daily by using an on-line platform provided by BrokersXpress.

Our Commitment

At Touchstone Financial Management, we treat our clients with courtesy and respect. Our goal is to provide realistic, unbiased financial advice that achieves results. We believe in creating financial independence one client at a time.

Our consistent track record of uncompromising ethics instills confidence and trust. We use cutting edge technologies to ensure real time information from the financial and political world. This allows us to remain nimble in the market place and give you the most relevant information and perspective.

Item 2 Material Changes

Touchstone Financial Management is a Registered Investment Advisory firm registered in the State of California. The RIA was approved on September 1, 2010.

There have been no material changes to Touchstone Financial Management in the last eight months.

Item 3 Table of Contents

The table of contents page is not applicable to Touchstone Financial Management. The brochure will follow the guidelines and pages set forth in this updated version of ADV part II

Touchstone Financial Management provides investment supervision on a discretionary basis.

Guided by the risk tolerance, investment experience and the amount of assets, client resources will be allocated among different asset classes of investments. Such as stocks, bonds, exchange traded funds, mutual funds and cash.

Discretion will be exercised in the management of the client's resources. Touchstone Financial Management may execute transactions on behalf of the client without prior acknowledgement of each transaction.

Touchstone Financial Management may not withdraw or deposit funds on client's behalf without prior approval from the client.

Touchstone Financial Management is a fee based business. A fee will be charged based on the amount of assets managed per account. The fees are spelled out on the fees page of ADV part II.

Item 5 Fees and Compensation

Fees will be paid by the client to Touchstone Financial Management on a quarterly basis. The fees will be drawn from the account by the brokerdealer BrokersXpress.

Fees will be charged for each client account. The fee schedule for Touchstone Financial Management is as follows.

| | |
|------|---------------------------|
| 2.5% | \$100,000 - \$150,000 |
| 2% | \$150,000 - \$300,000 |
| 1.5% | \$301,000 - \$499,000 |
| 1% | \$500,000 - \$700, 000 |
| .75% | \$700,000 + is negotiable |

Ticket charges will be deducted by the brokerdealer BrokersXpress for each transaction.

The ticket charge schedule is as follows:

Equity Trades \$12.95 up to 5000 shares and \$0.003 for each additional share.

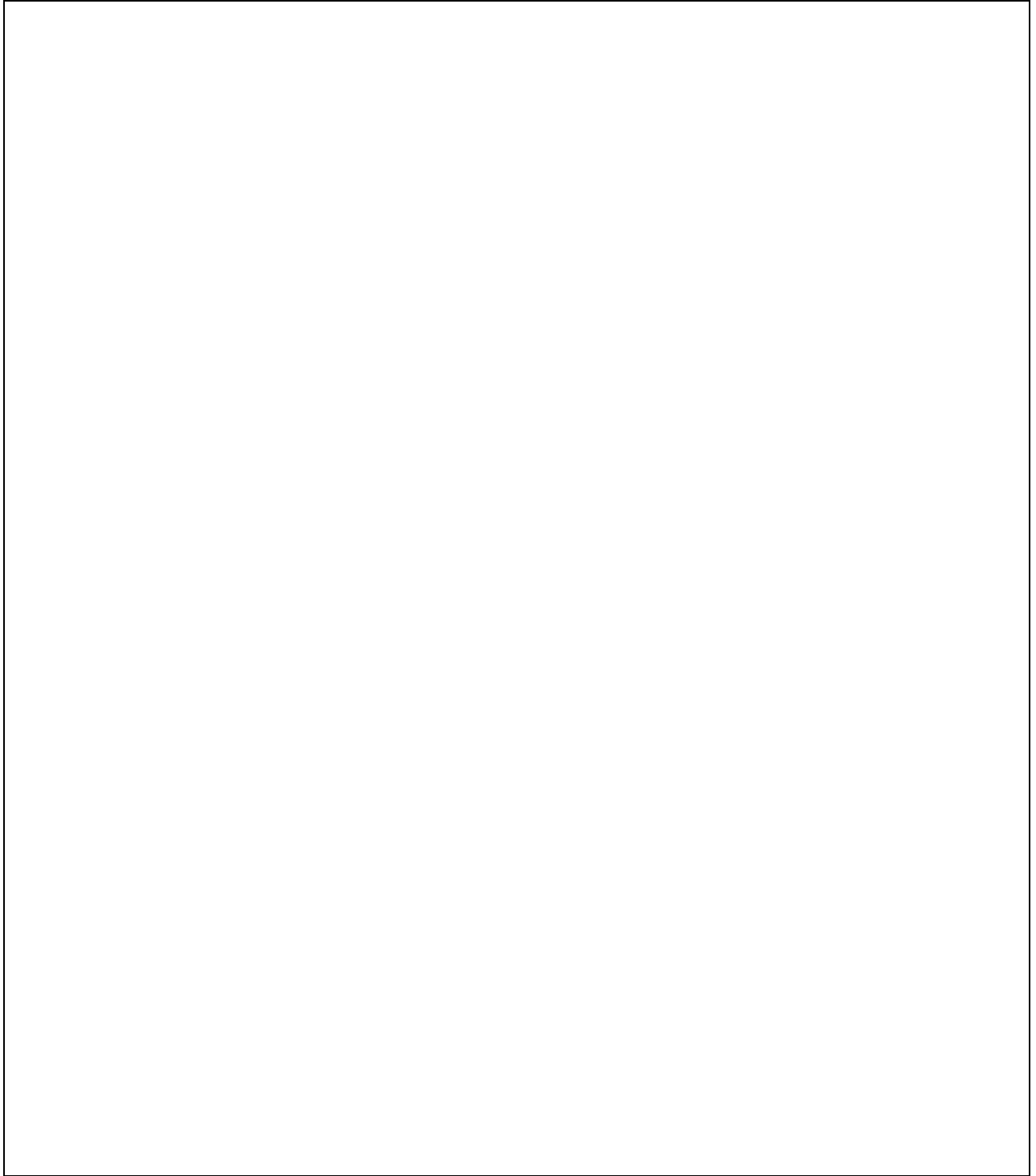
Options Trades \$1.25 per option contract with a minimum of \$12.95 per ticket.
Exercises and Assignments \$12.95 per exercise or assignment.

Mutual Funds (Load, No-Load and Load-Waived) \$14.95 administration fee per purchase or redemption; \$14.95 for exchanges (both sides).

Unit Investment Trust through Brokersxpress Agency \$5.00 per bond with a \$12.95 minimum; Principal: \$25.00 per ticket (principal trades not eligible for fee based business).

A client may obtain a refund within 30 days of signing the client agreement by submitting a request via mail or email.

Per CCR section 260.238(j), "Lower fees for comparable services may be available from other sources.



Touchstone Financial management does not charge performance based fees.

Performance based fees are fees charged the client based on the performance of the account over and above the management fee charged.

Touchstone Financial Management services the needs of individuals, corporations, retirement plans, non-profits and public agency retirement assets.

Whether you are a business owner, independent consultant or employee, retirement is something we all have to plan for. Touchstone Financial Management can assist you in achieving your goals through:

Executive Deferred Compensation Planning

An integrated approach to personal and employee benefit planning

Individual Benefit consultation for employees at no cost to the employer

Simplified Employee Pension Plans for independent consultants

Integrated approach to planning for an employee with assets outside corporate sponsored retirement plans

Rollover IRA's once you leave an employer

Touchstone Financial Management uses a top-down method to investment choice. We look at what's going in the geo-political and financial systems globally and work back to specific investment choices.

The methods used for choosing specific investments are, fundamental analysis, technical analysis and charting. Fundamental analysis is the study of a companies balance sheet, income statement and projections made by the companies management. Technical analysis is the study of a companies stock chart and applying patterns which helps in determining the direction of a stock. Charting a stock can be used to determine cyclical patterns in the price of a stock over a certain period of time.

The research used to determine investment choices are varied. The brokerdealer for Touchstone Financial Management, BrokersXpress, provides real-time quotes, CBS financial newswire, charting, mutual fund analysis tools and news pertaining to the commodities markets. Also, Touchstone Financial Management uses financial newspapers, Bloomberg, Interactive Data (e-signal) and several other monthly periodicals to help make prudent decisions for our clients. We also use research prepared by others when appropriate.

Touchstone Financial Management has both a long-term and short term investment strategy. With long-term strategies, we look to determine what will a specific investment be doing in one year or longer. Short-term investment strategies focus on what will be happening within one year. Both strategies can be used together to create a portfolio of investments for clients of all risk tolerances.

Margin is the borrowing of funds from the brokerdealer to purchase securities on a clients behalf. Touchstone Financial Management may engage in buying securities on margin if it is in the clients best interest.

Item 9 Disciplinary Information

Touchstone Financial Management has been an Registered Investment Advisor for 8 months. There is no Disciplinary Information to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Securities will be offered through BrokersXpress; Touchstone Financial Management's brokerdealer.

Uncompromising ethics instills confidence and trust in one's Registered Advisor. The code of ethics used by Touchstone Financial Management has been detailed in BrokersXpress compliance manual for Registered Representatives and Registered Investment Advisors. All Registered Representatives and RIA's have to sign an acknowledgement form for the compliance manual.

A copy of the compliance manual can be requested by a client of Touchstone Financial Management at any time.

There will be no comingling of clients' and advisors funds. Personal trading for Touchstone Financial Management will mirror that of the clients investment accounts. Clients will always receive the best execution and will have their orders placed before the advisors transaction.

The principal for Touchstone Financial Management, is Elliott C. Cox, II. He is a registered representative with BrokersXpress. He has his series 4, 7, 24, 63, 65 and California and Arizona Life Insurance license. He was first licensed in April of 1997.

He is registered for securities business in Ca., Az., Nv., Ny., Ill. And Ut..

He provides non-discretionary advice and buys and sells securities for clients.

He can also provide life insurance and variable annuities if it will meet the needs of the clients.

Accounts will be reviewed by Touchstone Financial Management at least twice a month. Touchstone's clients may request a meeting or phone call at any time of their choosing to review their investments or ask questions about current events and it's impact on their investment goals. The door is always open.

At Touchstone Financial Management client referrals are the life blood of our business. We seek to earn the trust of every client and in turn hope to be rewarded by a referral. Clients will not receive any compensation for referalls except for the continued steadfast approach in managing their invesments and our eternal gratitude.

The brokersxpress compliance manul, which Touchstone follows, does not allow for compensation to be provided by advisor to client.

The custodian for Touchstone Financial Management is BrokersXpress. All accounts will be held at BrokersXpress. They provide an online platform which facilitates easy access to client accounts. Investment choice, performance and fee deduction can all be easily accessed through the BrokersXpress client website. www.brokersxpress.com

Investment discretion is the ability for one's advisor to make investment decisions on behalf of the client. Touchstone Financial Management will exercise discretion over client's accounts. After risk tolerances have been determined and a specific set of goals has been set out by the client and Touchstone, we will make the most informed decision possible on behalf of the client.

This discretion does not include the ability to withdraw, transfer or deposit money into a client's account without their specific authorization.

Touchstone Financial Management will not be exercising voting rights on behalf the clients. Touchstone's discretion extends to investment choice and timing of transactions.

The financial requirement as spelled out by the state of California have been met. The balance sheet as required by ADV part I has been provided to the state of California and can be provided to clients upon request.

Item 19 Requirements for State-Registered Advisers

The requirements for state Registered Advisers such as Touchstone Financial Management have been met. Touchstone has been registered with the state of California since September 1, 2010.

