



(SEC #801-71996)

## Asset Management Program-FS2 Wrap Account Brochure

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This brochure provides Clients with information about the Greenbelt Investment Advisors, LLC ("GIA") and the Asset Management Program-FS2 Wrap Account that should be considered before becoming a client of GIA and the Program. If you have any questions about the contents of this brochure, please contact us at (800) 617-3900. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about Greenbelt Investment Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

The terms "registered investment adviser" or "registered" do not imply a specific level of skill or training.

## Item 2: Material Changes

The following changes were made to the December 8, 2010 version of the GIA Asset Management Program-FS2 Wrap Account Brochure.

The following sections were updated: Items 4, 6, 7, 8, 9 and 10.

## Item 3: Table of Contents

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## Item 4: Services Fees and Compensation

A. GIA is the sponsor and the investment manager for the Asset Management Program-FS2 Wrap Account (“Program”). In a “wrap” account, the Client is charged an all-inclusive fee that covers all administrative, commission, and management expenses. GIA through its representatives will manage the Accounts GIA and Representatives of GIA actively solicit clients for this Program. GIA will manage the Accounts on a non-discretionary basis. GIA representatives are the sole asset managers for the Account.

Representatives of GIA will assist Clients by:

- Developing an investment strategy based on the collection of the Client’s financial information and based on the ***Investment Objectives and Risk Tolerance Questionnaire*** completed by the Client and the Representative. The Questionnaire describes the Client’s financial situation, investment objectives, time horizon, risk tolerance, and investment preferences.
- Executing transactions that have been agreed to by the Client.
- Arranging for the Custody of Account assets.
- Ongoing monitoring of the Account and its performance and recommending changes when needed.

### Fees

GIA charges Clients an annual all inclusive “wrap” fee for participation in the Program. The annual fee encompasses: services provided by GIA, services provided by the representative of GIA, and the costs associated with clearing and custody. The fee collected is shared with GIA, your GIA representative, and the custodian for introducing and servicing the accounts. The Representative will receive up to 95% of the net fee collected, depending on their agreement with GIA. Fee discounts may apply. The specific annual fee will be identified in the ***Greenbelt Investment Advisors, LLC Asset Management Program-FS2 Wrap Account Disclosure Memorandum and Client Services Agreement and Fee Addendum***. The Asset Management Program-FS2 Wrap Account has a consolidated annual fee that encompasses: services provided by GIA, services provided by the representative of GIA, and the costs associated with clearing and custody.

### Asset Management Program-FS2 Wrap Account-All Inclusive Fee

| <b>Selection 1: Annual Model Fee Schedule</b> |        |              |              |                 | <b>Selection 2: Annual Maximum Non Asset Specific Fee:</b><br><br><i>A maximum of 2.5% is charged for all assets. Fees are negotiable.</i> |
|---|--------|--------------|--------------|-----------------|--|
| Asset Level                                   | Equity | Mutual Funds | Fixed Income | Cash/Money Mkt. |  |
|   | %      | %            | %            | %               |  |
| First \$99,999.99                             | 2.50   | 1.75         | 1.65         | 1.65            |  |
| Next \$150,000                                | 2.50   | 1.75         | 1.50         | 1.50            |  |
| Next \$250,000                                | 2.25   | 1.50         | 1.50         | 1.50            |  |
| Next \$250,000                                | 2.25   | 1.50         | 1.25         | 1.25            |  |
| Next \$250,000                                | 2.00   | 1.25         | 1.25         | 1.25            |  |
| Next \$1,000,000                              | 2.00   | 1.25         | 1.00         | 1.00            |  |
| Next \$1,000,000                              | 1.75   | 1.25         | 0.75         | 0.75            |  |
| Next \$2,000,000                              | 1.00   | 1.00         | 0.65         | 0.65            |  |
| Next \$5,000,000                              | 1.00   | 1.00         | 0.50         | 0.50            |  |
| Over \$10,000,000                             | 1.00   | 1.00         | 0.40         | 0.40            |  |

**Fees include:** Trading costs, reporting services, and custodian account fees.

**Fees do not include:** Exchange or ancillary custodian fees, transfer taxes, account transfer fees, interest incurred on margin, checking and debit card fees, corporate actions fees, or any fees imposed by law.

Please note that if over 60 trades are done in a twelve month period, the account may be subject to additional fees as charged by the custodian to GIA and normal ticket charges may apply.

New accounts will be billed in the month after assets arrive in the account and billing will be based off of the previous month end value. After the initial billing, fees will be billed on or about the 15th of the month after the end of each calendar quarter. Ongoing fees are calculated by determining the average daily balances for the three previous months. Under special circumstances, fees can be negotiated. Fees are charged directly to the account unless the Client specifies in writing another account. Under the firm's policies, a portion of the advisory fee collected is shared with GIA, your GIA representative, and the custodian for introducing and servicing the accounts. The representative will receive up to 95% of the net fee collected, depending on their agreement with GIA.

Any Client who wishes to terminate their agreement must provide written notification of their request to GIA or their representative. GIA will obtain the number of days that the account was opened during the quarter and promptly refund fees from termination date to the end of the quarter. If the activity is of such a level that a termination fee is charged to GIA by the custodian, that fee may be deducted from the refund.

B. The Program may cost the Client more or less than purchasing such services separately. The Client should consider that, depending on the fee charged, the amount of the portfolio activity in the Client's account and the value of the services that are being provided by the representative as portfolio manager under the Program. The fees may or may not exceed the aggregate cost of such services that the Client might incur by purchasing separately the types of securities available in the Program.

C. Depending on the Custodian selected for the account, the Client may be subject to fees for services that could include exchange or ancillary custodian fees, transfer taxes, account transfer fees, interest incurred on margin, checking and debit card fees, corporate actions fees, any fees imposed by law, etc. A copy of these fees can be requested from GIA at any time.

Aside from the fees described above, certain additional disclosures related to fees are important; namely, certain of the mutual funds available through the program distribute payments to broker-dealers or custodians with respect to sales of fund shares pursuant to Rule 12b-1 of the Investment Company Act of 1940 or with respect to shareholder services provided pursuant to no-transaction-fee programs. Such payments are made from fund assets and reduce overall fund performance. Such funds may be included by the representatives managing the assets where they reasonably believe the overall performance of a fund, after taking into account such payments, merits inclusion. While GIA will endeavor to avoid incurring such fees, there may be instances where such fees are incurred. Advisory fees may be negotiated to offset these payments. Additionally, the GIA or the Custodian may receive management fees in connection with the purchase of certain mutual funds. **Please see the mutual fund prospectus for further details.** Fees charged in the Program are separate and distinct from any fees and expenses charged by the mutual funds themselves. Such fees are disclosed in each fund's prospectus.

D. The GIA representative, who also acts as portfolio manager, will recommend the plan based on careful consideration of the Client's financial picture, suitability, and risk tolerance and will receive up to 95% of the net fee collected, depending on their agreement with GIA. The representative may receive more than they would receive if the Client participated in other GIA Programs or was paid separately for advice, brokerage, or for other services. The GIA representative may have a financial incentive to recommend the wrap fee program over other programs or services.

## Item 5: Account Requirements and Types of Clients

There is a minimum account size of \$25,000 (may be negotiated under special circumstances) with no minimum annual fee.

Clients may include individuals, high net worth individuals, corporations or other businesses, and pension and profit sharing plans.

## Item 6: Portfolio Manager Selection and Evaluation

A. GIA's representatives are the portfolio manager and each account is managed on a custom basis. Before GIA or its representatives discuss investment strategy with a Client, they conduct thorough due diligence to obtain the essential facts regarding a Client's assets, financial situation, objectives, time horizon, and similar information. GIA through its representatives are responsible for advising Clients on appropriate investment possibilities and vehicles based upon the Client's particular needs, objectives, and risk tolerance.

GIA through its Representative will work with the Client to create a portfolio consisting of one or more of the following: equities, bonds, mutual funds, exchange-traded funds ("ETFs"), and other investment products. Part of the representative's analysis may include researching economic, political, and market trends, earnings, earnings ratios, and various other indicators including qualitative risk analysis. Analysis of Mutual Funds and ETFs may also include but is not limited to a review of the fund's performance history, investment objectives, management style and philosophy, and fee structure and costs. Once an Account is open and investments are made, GIA will monitor the Client's investment/asset allocation on an ongoing basis as well as work with the Client to ensure that GIA and the representative have timely information regarding the Client's needs, objectives, and risk tolerance.

1. A representative of GIA and/or the CCO will review all accounts at least annually. These reviews will consist of comparing account activity to the personal information collected on the account information form such as financial condition, investment objectives, and risk tolerance as well as trading frequency. The designated representative will review the following documents related to Client accounts as applicable: daily blotters, new account applications, advisory agreements, daily money/asset movement, and suspicious activity. The designated representative will also review: accurate and proper recordation, risk tolerance, investment objectives, and trading in the Client's account. Special or in depth reviews of an account would take place should there be questions or concerns from a Client regarding activity or fees, issues with representative, or if the designated reviewer detects problematic activity. Performance and detailed portfolio analysis would be conducted using performance reports prepared using industry standards as well as various portfolio analysis tools.

2. GIA plans to utilize performance reports prepared by an unaffiliated third party that are consistent with industry standards. Reports are reviewed by a representative of GIA for accuracy.

B. GIA's representatives are the portfolio manager and each account is managed on a custom basis. This approach helps ensure that each Client's current holdings and financial situation are taken into consideration. This enables GIA to provide a more custom experience to the Client than another 3<sup>rd</sup> party portfolio manager may be able to give. Reviews are also conducted on an account by account basis by the CCO or designated representative whether it is managed by a representative of GIA or a 3<sup>rd</sup> party.

#### C. Additional Responses

##### **Advisory Business**

##### **Description of Our Firm**

Greenbelt Investment Advisors, LLC ("GIA") was formed on November 4, 2010 and is based in Austin, Texas located at 4611 Bee Caves Road, Suite 305. GIA is an investment adviser registered with the Securities and Exchange Commission ("SEC").

GIA offers its services to individuals, high net worth individuals, corporations or other businesses, and pension and profit sharing plans. GIA carries out its investment advisory services through its investment adviser representatives located in Austin, TX.

##### **Principal Owners**

###### **Matthew Wells**

Matthew Wells is President and a Managing Member of GIA. After graduating from the University of Texas at Austin with a degree in Economics in 2001, he started his career at Morgan Stanley. Since that time has been a financial planner and investment advisor serving the needs of high net worth families and institutions not only in Central Texas, but across the United States, working for Wells Fargo Private Bank and WAMU, before finally going independent in 2005. He holds a Series 7, 31, 66 and Texas Life and Health Insurance license. Matthew Wells does not participate in any other outside business.

###### **Amanda M. Christians**

Amanda M. Christians is Chief Compliance Officer, Chief Operations Officer, and Managing Member of GIA. Ms. Christians served as Chief Compliance Officer and Chief Operations Officer of Evolve Investment Advisors, as a Trust Officer for Evolve Bank & Trust, as a member of the Evolve Bank & Trust Investment Advisory Committee, and was registered with Evolve Securities, Inc., providing various compliance and operations functions for the firm. She has over 10 years of experience in the financial services industry. From January 1998 through January 2000, Amanda worked in Retirement Services at The American Funds Group. From March 2000 to January 2004, Amanda held various positions at Morgan Stanley including Registered Representative. Amanda earned a Bachelor of Business Administration in Management from the University of Texas at San Antonio in 1997. She holds a Series 7, 66, and Group 1/Life and Health Insurance License. Amanda Christians does not participate in any other outside business.

## **Advisory Services Offered**

### **Asset Management Program**

GIA, through our representatives, provide asset management services to Clients. Our asset management services are tailored to the individual needs of our Clients. Our representatives provide assistance with the initial investment selection and ongoing monitoring of an account's performance in relation to the Client's risk tolerance, time horizon, investment objectives, and overall financial situation.

### **Financial Planning and Services Program**

GIA, through our representatives, may charge for financial services or participate in financial planning services. These services may vary and may include preparing a written financial plan or specified portion of a financial plan based on the Client's individual financial objectives, needs, and circumstances. Our representatives do not provide tax or legal advice but may work in conjunction with the Client's tax advisors or legal advisors with Client consent. GIA may also refer Clients to other tax or legal advisors should additional expertise be needed. These plans may include recommendations for meeting a specific goal. There is no requirement that the Client implements any of the recommendations or otherwise conduct business through GIA.

## **Our Services and Restrictions**

GIA tailors its services to meet the individual needs of its Clients. On occasion, Clients may impose restrictions on investing in certain securities and types of securities.

## **Wrap Fee Program**

GIA offers and sponsors the Asset Management Program-FS2 detailed in this brochure.

## **Discretion**

GIA and its representatives manage Client assets on a non-discretionary basis. As of March 21, 2011, the total assets under management were \$41,777,491. There are no assets managed on a discretionary basis.

## **Performance-Based Fees and Side-by-Side Management**

We do not charge performance-based fees to our Clients.

## **Methods of Analysis, Investment Strategies, and Risk of Loss**

### **Methods of Analysis**

Before GIA or its representatives discuss investment strategy with a Client, they conduct thorough due diligence to obtain the essential facts regarding a Client's assets, financial situation, objectives, time horizon, and similar information. GIA, through its representatives, are responsible for advising Clients on appropriate investment possibilities and vehicles based upon the Client's particular needs, objectives, and risk tolerance.

GIA and its representatives are responsible for:

- a) Analyzing a Client's current financial situation and assisting them in determining their investment objectives, time horizon, and risk tolerance.
- b) Advising Client's about investment possibilities and vehicles and educating the Client on fees, a security's features including risk and costs, how a possible investment would fit with the Client's objectives, and possibly assisting the Client in determining an appropriate asset allocation. Part of the representative's analysis may include researching economic , political, and market trends, earnings, earnings ratios, and various other indicators including qualitative risk analysis.
- c) Ongoing monitoring of the Client's investment/asset allocation as well as working with the Client to ensure that GIA and the representative have timely information regarding the Client's needs, objectives, and risk tolerance.
- d) Being available to meet or discuss Client account(s) on a regular basis, and being available at such other times within reason as a Client requests.

### **Risk of Loss**

When investing in securities, the risk of a decline in market value can be substantial. GIA and its representatives cannot guarantee the future performance of the Client's Account or any specific level of performance, the success of any investment decision, asset allocation, or strategy that the representative may use.

Clients should understand that investment decisions made for the Client's Account by the representative are subject to various market, currency, economic, political and business risks, and that those investment decisions will not always be profitable.

In light of these risks associated with investing, the Client should carefully consider whether such an investment is suitable for them in light of their personal financial condition. Prior to authorizing a representative of GIA to invest for their Account, the Client should carefully review the investment objectives that were discussed and documented with GIA and their representative and the Client must accept, reject, or recommend changes for which the their account will be managed. Specifically, the Client should consider whether their investment objective is consistent with their personal risk tolerance and their ability to maintain his/her standard of living and/or achieve his/her financial goals in the event that their account should sustain a loss. It is important for the Client to notify GIA or their representative promptly if there are any significant changes in the information, financial circumstances, or investment objectives previously provided to GIA, either verbally or in writing, that might affect the manner in which their account should be invested. It is also important that the Client review statements and confirmations in a timely manner.

### **Voting Client Securities**

GIA, as a matter of policy and practice, has NO authority to vote proxies on behalf of advisory Clients. The firm may offer assistance as to proxy matters upon a Client's request, but the Client always retains the proxy voting responsibility.



## Item 7: Client Information Provided to Portfolio Managers

Any information that is provided to GIA on applications and agreements is provided to the portfolio manager.

## Item 8: Client Contact with Portfolio Managers

Clients are welcome to contact their portfolio managers (their representatives or 3<sup>rd</sup> party managers) anytime by phone, email, or by appointment. If Clients have any questions about how to contact their portfolio managers they can contact Amanda Christians at (800) 617-3900 or at [achristians@greenbeltadv.com](mailto:achristians@greenbeltadv.com).

## Item 9: Additional Information

### A. Additional Responses

#### Disciplinary Information

This item requires that GIA disclose material facts about any legal or disciplinary event that is material to a Client's (or prospective Client's) evaluation of the integrity of the adviser or its management personnel and provide a list of disciplinary events that are presumptively material if they occurred in the previous 10 years. This includes, but is not limited to, any convictions for theft, fraud, bribery, perjury, forgery, counterfeiting, extortion and violations of securities laws by the adviser or one of its executives. This item also requires that disciplinary events more than 10 years old be disclosed if the event is so serious that it remains material to a Client's or prospective Client's evaluation of the adviser and the integrity of its management.

GIA does not have any legal or disciplinary events to disclose.

#### Other Financial Industry Activities and Affiliations

--Matthew Wells and Homer Parsegian are also registered representatives of Sunbelt Securities, Inc.

--No management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entity.

--The representatives in Item 10.A, could conceivably have both an investment advisory account and a brokerage account for a Client. Transactions in brokerage accounts are executed on an agency basis and do not imply a fiduciary relationship between the Client, the representative, and/or GIA.

Education and account reviews are key in addressing this conflict. When a representative meets with a Client, the differences between a brokerage account and an advisory account will be discussed as well as how the representative gets paid.

The CCO or designated person from GIA will review advisory accounts on a periodic basis to determine if the account is better suited to be a brokerage account or if any changes to the fee structure could be made. The representative's brokerage accounts at Sunbelt Securities, Inc. will also be reviewed on a periodic basis.

## **B. Additional Responses Continued**

### **Code of Ethics, Participation in Client Transactions and Personal Trading**

GIA's Code of Ethics is based on the principle that GIA and each of its owners, employees, and representatives owe a fiduciary duty to its Clients. All owners, employees, and representative must sign the GIA Code of Ethics at least annually. All GIA owners and representative are expected to act in a manner that fully complies with these standards and the federal and state securities laws at all times and that otherwise is premised on fundamental principles of openness, honesty, integrity, fairness, trust and professionalism.

As a Firm, GIA places an extremely high value on ethical conduct and challenges all owners, employees, and representative to live up to not only the letter of the law, but also to the spirit thereof and the ideals of our organization.

One of the areas that GIA imposes its highest level of ethical expectations is through personal securities transactions. From time to time, owners, employees, and representatives may purchase securities for themselves or family members that they also recommend to their Clients. Owners and representatives and their family members may also own securities that they recommend to Clients. It is the responsibility of the firm to closely monitor this activity to ensure that the Client's interests are always placed ahead of the owners, employees, and representatives of GIA. GIA has policies and procedures in place to review whether Clients are receiving terms as favorable as those obtained from GIA's owners, employees, and representative when trading the same security and assess whether any individual's personal security holdings may present a conflict of interest. Owners, employees, and representative's trades are reviewed on a daily or periodic basis depending on statement frequency to assess that the Client is receiving terms as favorable as those obtained from GIA's owners, employees, and representatives when trading the same security. Owners and representatives are also required to disclose quarterly all trades executed for themselves or immediate family members.

Owners, employees, and representatives of GIA do not recommend to Clients securities in which GIA, owners, employees, or a representative has a material financial interest. (Examples: Owners, employees, or representatives acting as principal in a transaction, acting as a general partner in a partnership in which Client investments are solicited, or acting as an investment adviser to an investment company that you recommend to Clients.)

For a complete copy of GIA's Code of Ethics, please contact GIA at (800) 617-3900 or by mail at 4611 Bee Caves Road, Suite 305, Austin, TX 78746.

***A copy of the GIA Code of Ethics will be furnished to any Client, whether existing or potential, upon request.***

### **Review of Accounts**

A representative of GIA and/or the CCO will review all accounts at least annually. These reviews will consist of comparing account activity to the personal information collected on the account information form such as financial condition, investment objectives, and risk tolerance as well as trading frequency.

The designated representative will review the following documents related to Client accounts as applicable: daily blotters, new account applications, advisory agreements, daily money/asset movement, and suspicious activity. The designated representative will also review: accurate and proper recordation, risk tolerance, investment objectives, and trading in the Client's account. Special or in depth reviews of an account would take place should there be questions or concerns from a Client regarding activity or fees, issues with representative, or if the designated reviewer detects problematic activity. Clients will receive statements of their accounts from the Custodian where the account is held on a monthly or quarterly basis either by mail or by email if the Client selected that option. These statements will detail assets held and transactions for that time period including any advisory fees charged. Clients will also receive transaction confirmations from the Custodian where the account is held for each transaction.

#### **Client Referrals and Other Compensation**

GIA does not any receive economic benefit or compensation for referring Clients to third parties nor does GIA compensate any third party for Client referrals.

#### **Financial Information**

GIA does not require or solicit prepayment of more than \$500 in fees per Client, six months or more in advance, therefore we have not included a balance sheet for our most recent fiscal year.

### **Item 10: Required Information for State-Registered Investment Advisers**

#### **Additional Information**

--Neither GIA nor its representatives are compensated for advisory services based on performance-based fees. Performance-based fees may create an incentive for GIA to recommend an investment that may carry a higher degree of risk to the Client.

--Neither GIA nor any of its management persons have been involved in:

1. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - a. an investment or an investment-related business or activity;
  - b. fraud, false statements, or omissions;
  - c. theft, embezzlement, or other wrongful taking of property;
  - d. bribery, forgery, counterfeiting, or extortion; or
  - e. dishonest, unfair, or unethical practices.
2. An award or otherwise being found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:
  - a. an investment or an investment-related business or activity;
  - b. fraud, false statements, or omissions;
  - c. theft, embezzlement, or other wrongful taking of property;
  - d. bribery, forgery, counterfeiting, or extortion; or
  - e. dishonest, unfair, or unethical practices.

--Neither GIA nor any management persons have a relationship or arrangement with any issuer of securities.