

Part 2A Appendix 1 of Form ADV:

Wrap Fee Program Brochure

Item 1 - Cover Page

Dated: September 2011

DELCO INVESTMENT ADVISORS

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This brochure provides information about the qualifications and business practices of DELCO INVESTMENT ADVISORS, LLC (“DELCO INVESTMENT ADVISORS”). If you have any questions about the contents of this brochure, please contact us by telephone at (855) 891-3357. 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 DELCO INVESTMENT ADVISORS also is available on the SEC’s website at www.adviserinfo.sec.gov .

Please note that the use of the term “registered investment adviser” and description of DELCO INVESTMENT ADVISORS and/or our associates as “registered” does not imply a certain level of skill or training. You are encouraged to review this brochure and brochure Supplements for our firm’s associates who advise you for more information on the qualifications of our firm and its employees.

Item 2 - Material Changes

DELCO INVESTMENT ADVISORS is required to advise you of any material changes to our Wrap Fee Program Brochure (“Wrap Brochure”) from our last annual update, identify those changes on the cover page of our Wrap Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Wrap Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Wrap Brochure, and we must provide the date of the last annual update of our Wrap Brochure.

Please note we do not have to provide this information to a client or prospective client who has not received a previous version of our Wrap Brochure. At this time, there are no material changes to report about our Wrap Brochure.

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Item 4 - Services, Fees and Compensation

DELCO INVESTMENT ADVISORS offers wrap fee programs as described in this Wrap Fee Program Brochure. Our wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

Investment Management Wrap Fee Program

DELCO INVESTMENT ADVISORS manages investment portfolios for a wide variety of clients including individuals, qualified retirement plans, trusts, charitable organizations, small businesses and corporations. DELCO INVESTMENT ADVISORS will work with a client to determine the client's investment objectives and investor risk profile and will design a written investment policy statement. DELCO INVESTMENT ADVISORS uses investment and portfolio allocation software to evaluate alternative portfolio designs. DELCO INVESTMENT ADVISORS evaluates the client's existing investments with respect to the client's investment policy statement. DELCO INVESTMENT ADVISORS works with new clients to develop a plan to transition from the client's existing portfolio to the desired portfolio. DELCO INVESTMENT ADVISORS will then continuously monitor the client's portfolio holdings and the overall asset allocation strategy and hold review meetings with the client regarding the account as necessary.

DELCO INVESTMENT ADVISORS will typically create a portfolio of no-load, institutional mutual funds, and may use model portfolios if the models match the client's investment policy. DELCO INVESTMENT ADVISORS will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. DELCO INVESTMENT ADVISORS primarily recommends portfolios consisting of passively managed asset class and index mutual funds. DELCO INVESTMENT ADVISORS primarily recommends institutional mutual funds offered by Dimensional Fund Advisors (DFA). DFA sponsored mutual funds follow a passive asset class investment philosophy with low holdings turnover.

Client portfolios may include exchange traded funds (ETFs). Client portfolios may also include some individual equity and fixed income securities in situations where disposition of these securities would present an overriding tax implication or the client specifically requests they be retained for a personal reason. These situations will be specifically identified in the client's Investment Policy Statement (IPS).

DELCO INVESTMENT ADVISORS manages mutual fund, ETF, equity portfolios and bond mutual funds on a discretionary basis according to the investment policy selected by the client. A client may impose any reasonable restrictions on DELCO INVESTMENT ADVISORS's

discretionary authority, including restrictions on the types of securities in which DELCO INVESTMENT ADVISORS may invest client's assets and on specific securities, which the client may believe to be appropriate.

On an ongoing basis, DELCO INVESTMENT ADVISORS will answer clients' inquiries regarding their accounts and review periodically with clients the performance of their accounts. DELCO INVESTMENT ADVISORS will periodically, and at least annually, review clients' investment policy, risk profile and to discuss the re-balancing of each client's accounts to the extent appropriate.

Our Investment Management Wrap Fee

Typically, the annual wrap fee for Investment Management services will be charged as a percentage of assets under management not to exceed 1.70%. DELCO INVESTMENT ADVISORS will quote an exact percentage to each client based on both the nature and total dollar value of the account(s) and based on the requirements of the client and the complexity of the services provided. All fees are agreed upon prior to entering into a contract with any client.

A wrap fee program allows our clients to pay a specified fee for investment advisory services and the execution of transactions. The advisory services may include portfolio management with fees not based directly upon transactions in your account. Your fee is bundled with our costs for executing transactions in your account(s). This may result in a higher advisory fee to you. We do not charge our clients higher advisory fees based on their trading activity, but you should be aware that we may have an incentive to limit trading activities in your account(s) because we are charged for executed trades. By participating in a wrap fee program, you may end up paying more or less than you would through a non-wrap fee program where a lower advisory fee is charged, but trade execution costs are passed directly through to you by the executing broker.

The client may pay non-transaction related custodial fees, internal management fees imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. These fees are not included within the wrap-fee clients are charged by DELCO INVESTMENT ADVISORS.

Investment advisory representatives of DELCO INVESTMENT ADVISORS receive a portion of the advisory fee that you pay to the firm, either directly as a percentage of the client's overall fee or as their salary from our firm. In cases where our investment advisory representatives are paid

a percentage of your overall advisory fee, this may create an incentive to recommend that the client participate in a wrap fee program rather than a non-wrap fee program (where the client would pay for trade execution costs) or brokerage account where commissions are charged. This is because, in some cases, DELCO INVESTMENT ADVISORS may stand to earn more compensation from advisory fees paid to us through a wrap fee program arrangement if the account is not actively traded.

Item 5 - Account Requirements and Types of Clients

DELCO INVESTMENT ADVISORS provides services to a wide variety of clients including individuals, qualified retirement plans, trusts, charitable organizations, small businesses and corporations.

DELCO INVESTMENT ADVISORS does not have requirements for opening and maintaining accounts or otherwise engaging us.

Item 6 - Portfolio Manager Selection and Evaluation

DELCO INVESTMENT ADVISORS does not utilize outside portfolio managers. All wrap fee accounts are managed by our in-house professionals who act as the portfolio manager(s) for the wrap fee program described in this Wrap Fee Program Brochure.

Advisory Business

For information about DELCO INVESTMENT ADVISORS's wrap fee advisory program, see Item 4 of this Wrap Fee Program Brochure.

Individual Tailoring of Advice to Clients

As described in Item 4 of this Wrap Fee Program Brochure, DELCO INVESTMENT ADVISORS offers individualized investment advice to clients utilizing our Investment Management services.

Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities

DELCO INVESTMENT ADVISORS manages mutual fund, ETF, equity portfolios and bond mutual funds on a discretionary basis according to the investment policy selected by the client. A

client may impose any reasonable restrictions on DELCO INVESTMENT ADVISORS's discretionary authority, including restrictions on the types of securities in which DELCO INVESTMENT ADVISORS may invest client's assets and on specific securities, which the client may believe to be appropriate.

When selecting securities and determining amounts, DELCO INVESTMENT ADVISORS observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions requested by the client must be provided to DELCO INVESTMENT ADVISORS in writing.

Participation in Wrap Fee Programs

Our wrap fee and non-wrap fee accounts are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc. DELCO INVESTMENT ADVISORS does not manage wrap fee accounts in a different fashion than non-wrap fee accounts. As further described in Item 4 of this Wrap Fee Program Brochure, DELCO INVESTMENT ADVISORS receives a portion of the wrap fee for our services.

Performance-based Fees and Side-by-Side Management

Our firm may charge qualified clients¹ "Performance Fees" – that is, fees based on a share of capital gains on or capital appreciation of the managed assets of a client in addition to our standard Investment Management Wrap Fee. These two fees in combination are referred to as Side By Side Management.

Typically in a Side By Side Management arrangement, the annual Wrap fee for Investment Management will be charged as a percentage of assets under management not to exceed 1.20%. DELCO INVESTMENT ADVISORS will quote an exact percentage to each client based on both the nature and total dollar value of the account(s) and based on the requirements of the client and the complexity of the services provided.

The Performance fee portion is charged annually in arrears at the end of each calendar year and will not exceed 15% of the profits achieved over and above the gross returns achieved by a pre-determined and mutually agreed upon benchmark index for the previous calendar year of Investment Management. In the event that an account subject to performance fees is established

¹ We are currently permitted to charge performance based fees only to clients with at least \$750,000 under management with our firm or a net worth of at least \$1.5 million. It is expected that the SEC will revisit this standard in the near future and tie the definition of a qualified client to inflation. It is unclear at this time whether the SEC will grandfather or exempt existing qualified clients being charged performance based fees from a greater financial threshold for meeting the qualified client standard should the definition change.

after the beginning of the calendar year, performance will be calculated based on the inception date of the account through the end of the calendar year.

All fees are agreed upon prior to entering into a contract with any client.

In charging performance fees to some of our client accounts, there is potential that DELCO INVESTMENT ADVISORS may receive greater fees from client accounts having a performance-based compensation structure than from those accounts that are charged a standard fee unrelated to performance (e.g., an asset-based fee). DELCO INVESTMENT ADVISORS attempts to provide clients with flexibility in the fee arrangements provided to them when doing business with our firm. Methods of analysis and investment strategy applied by DELCO INVESTMENT ADVISORS to accounts subject to performance fees will be consistent with the methods of analysis and investment strategy applied to accounts subject to an asset-based fee.

DELCO INVESTMENT ADVISORS will perform periodic comparisons of our performance based and non-performance accounts to ensure that performance based accounts are treated fairly relative to our client's non-performance fee based accounts. If notable differences are discovered with respect to the fees earned on performance based accounts versus non-performance based accounts, clients will be made aware and provided the opportunity to change to a non-performance based fee arrangement for the next billing cycle.

Methods of Analysis, Investment Strategy and Risk of Loss:

Methods of Analysis and Investment Strategy

DELCO INVESTMENT ADVISORS's services are based on long-term investment strategies incorporating the principles of Modern Portfolio Theory. DELCO INVESTMENT ADVISORS's investment approach is firmly rooted in the belief that markets are "efficient" over periods of time and that investors' long-term returns are determined principally by asset allocation decisions, rather than market timing or stock picking. DELCO INVESTMENT ADVISORS recommends diversified portfolios, principally through the use of institutional, passively managed, asset class mutual funds. DELCO INVESTMENT ADVISORS selects or recommends to clients portfolios of securities, principally broadly-traded open end mutual funds or conservative fixed income securities to implement this investment strategy.

Although all investments involve risk, DELCO INVESTMENT ADVISORS's investment advice seeks to limit risk through broad diversification among asset classes and, as appropriate for particular clients the investment directly in conservative fixed income securities to represent the

fixed income class. DELCO INVESTMENT ADVISORS's investment philosophy is designed for investors who desire a buy and hold strategy. Frequent trading of securities increases brokerage and other transaction costs that DELCO INVESTMENT ADVISORS's strategy seeks to minimize.

In the implementation of investment plans, DELCO INVESTMENT ADVISORS therefore primarily uses institutional mutual funds and, as appropriate, portfolios of conservative fixed income securities. DELCO INVESTMENT ADVISORS may also utilize Exchange Traded Funds (ETFs) to represent a market sector.

Clients may hold or retain other types of assets as well, and DELCO INVESTMENT ADVISORS may offer advice regarding those various assets as part of its services. Advice regarding such assets will generally not involve Investment Management Services but may help to more generally assist the client.

DELCO INVESTMENT ADVISORS's strategies do not utilize securities that DELCO INVESTMENT ADVISORS believes would be classified as having any unusual risks, and DELCO INVESTMENT ADVISORS does not recommend frequent trading, which can increase brokerage and other costs and taxes.

DELCO INVESTMENT ADVISORS receives supporting research from consultants, including economists affiliated with Dimensional Fund Advisors ("DFA"), Vanguard, PIMCO, and other firms. DELCO INVESTMENT ADVISORS utilizes DFA mutual funds in client portfolios. DFA mutual funds follow a passive asset class investment philosophy with low holdings turnover. DFA provides historical market analysis, risk/return analysis, and continuing education to DELCO INVESTMENT ADVISORS. Various computer software programs from DFA and other third parties may also be utilized to better model the historical, and/or returns of designed portfolios.

DELCO INVESTMENT ADVISORS utilizes a variety of sources for security analysis and to aid in the investment decision making process. These sources include, but are not limited to 1) commercially available data and evaluation sources, 2) securities rating services, 3) general economic, market, and financial information, 4) financial publications, periodicals, newspapers, journals, and academic white papers, 5) prospectuses and statements of additional information, and 6) other issuer-prepared information.

The Firm's advisers also attend various investment and financial planning conferences offered through their Custodian and Mutual Fund relationships.

Analysis of a Client's Financial Situation

In the development of investment plans for clients, including the recommendation of an appropriate asset allocation, DELCO INVESTMENT ADVISORS relies on an analysis of the client's financial objectives, current and estimated future resources, and tolerance for risk. To derive a recommended asset allocation, DELCO INVESTMENT ADVISORS may use a Monte Carlo simulation, a standard statistical approach for dealing with uncertainty. As with any other methods used to make projections into the future, there are several risks associated with this method, which may result in the client not being able to achieve their financial goals. They include:

- The risk that expected future cash flows will not match those used in the analysis
- The risk that future rates of return will fall short of the estimates used in the simulation
- The risk that inflation will exceed the estimates used in the simulation
- For taxable clients, the risk that tax rates will be higher than was assumed in the analysis

Risk of Loss

Investing in securities involves risk of loss that clients should be prepared to bear.

All investments present the risk of loss of principal – the risk that the value of securities (mutual funds, ETFs and individual bonds), when sold or otherwise disposed of, may be less than the price paid for the securities. Even when the value of the securities when sold is greater than the price paid, there is the risk that the appreciation will be less than inflation. In other words, the purchasing power of the proceeds may be less than the purchasing power of the original investment.

The mutual funds and ETFs utilized by DELCO INVESTMENT ADVISORS may include funds invested in domestic and international equities, including real estate investment trusts (REITs), corporate and government fixed income securities. Equity securities may include large capitalization, medium capitalization and small capitalization stocks. Mutual funds and ETF shares invested in fixed income securities are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

Among the riskiest mutual funds used in DELCO INVESTMENT ADVISORS's investment strategies funds are the U.S. and International small capitalization and small capitalization value

funds, and emerging markets funds. Conservative fixed income securities have lower risk of loss of principal, but most bonds (with the exception of Treasury Inflation Protected Securities or TIPS) present the risk of loss of purchasing power through lower expected return. This risk is greatest for longer-term bonds.

Certain funds utilized by DELCO INVESTMENT ADVISORS may contain international securities. Investing outside the United States involves additional risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be greater with investments in developing countries.

More information about the risks of any particular market sector can be reviewed in representative mutual fund prospectuses managing assets within each applicable sector.

Voting Client Securities:

Proxy Voting: As a matter of firm policy and practice, DELCO INVESTMENT ADVISORS does not accept the authority to and does not vote proxies on behalf of advisory client. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Clients will receive applicable proxies directly from the issuer of securities held in clients' investment portfolios. DELCO INVESTMENT ADVISORS, however, may provide advice to clients regarding the clients' voting of proxies.

Class Actions, Bankruptcies and Other Legal Proceedings: Clients should note that DELCO INVESTMENT ADVISORS will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held or previously were held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct DELCO INVESTMENT ADVISORS to transmit copies of class action notices to the client or a third party. Upon such direction, DELCO INVESTMENT ADVISORS will make commercially reasonable efforts to forward such notices in a timely manner.

Item 7 - Client Information Provided to Portfolio Manager(s)

DELCO INVESTMENT ADVISORS and the firm's advisor representatives communicate with our in-house portfolio manager(s) on a regular basis as needed (daily, weekly, monthly, etc) to ensure the client's most current investment goals and objectives are understood by the portfolio manager(s). In most cases, DELCO INVESTMENT ADVISORS will communicate such

information as part of the firm's daily investment management duties. In addition, DELCO INVESTMENT ADVISORS will also communicate information to our in-house portfolio manager(s) when requested by the client or when market or economic conditions make it prudent to do so.

Item 8 - Client Contact with Portfolio Manager(s)

Clients are always free to directly contact DELCO INVESTMENT ADVISORS's in-house portfolio manager(s) with any questions or concerns they have about their portfolios or other matters related to their accounts and DELCO INVESTMENT ADVISORS.

Item 9 - Additional Information

Disciplinary Information

DELCO INVESTMENT ADVISORS and its employees have not been involved in any legal or disciplinary events imposed by a federal or state regulator that would be material to the evaluation of the Firm or the integrity of its management.

A Self Regulatory Organization (SRO) proceeding issued the following with respect to Bradley J. Delp, Manager and Investment Advisor Representative of DELCO INVESTMENT ADVISORS:

While with LPL Financial, LLC Bradley J. Delp recommended that six clients participate in a non-recourse loan arrangement referred to as "Stock To Cash", a program under which these Clients pledged stock to obtain loans to purchase other investments. Mr. Delp's customers obtained loans totaling approximately \$3.5 million. The pledged stock would be transferred to the loaning entity's securities account maintained at a clearing firm. The loans were typically for three years up to 90% of the value of the stock with no payments required during the term of the loan but clients were required to pay the full principal and interest due at the end of the loan term. The clients actually conveyed full ownership to the loaning entity which routinely sold the securities upon receipt and moved the money into its own bank account. FINRA was concerned that Mr. Delp did not take adequate efforts to find out what happened to the stock conveyed to the lender and did not inquire into what would be done with the stock. He also did not conduct enough due diligence into the financial condition of the lender but relied on unverified statements made by the promoter and told his clients they

could receive their stock back at the end of the loan period based on the information he received from the loaning entity. Some of the clients, at Mr. Delp's recommendation and with his participation, initially used some of the loan proceeds to buy equity-based mutual funds along with other products in violation of Regulation U restrictions.

On December 1, 2010, Mr. Delp submitted an Acceptance, Waiver, and Consent (AWC) form, accepting responsibility without admitting or denying FINRA's findings. On December 21, 2010, FINRA responded with a letter of acceptance regarding the AWC filed December 1st. Mr. Delp was suspended for 75 days and fined \$25,000 by FINRA.

Other Financial Industry Activities and Affiliations

Our advisory representatives are licensed to sell insurance and may be compensated for recommending insurance products to advisory clients. Clients are never obligated to purchase insurance products from our advisory representatives.

Delp & Company Inc., a licensed insurance agency, is under common control with DELCO INVESTMENT ADVISORS by virtue of Bradley J. Delp's ownership and/or management control over both entities. Delp & Company Inc. offers consulting services with regard to term and permanent life insurance products, long-term care products, disability insurance, and fixed annuity products and coordinates the sale of such products. Clients of DELCO INVESTMENT ADVISORS maintain sole discretion on whether to work with Mr. Delp and Delp & Company for their insurance needs.

DELCO INVESTMENT ADVISORS is also affiliated with DelTuck Inc., which operates as TDC Benefits, a licensed employee benefits health insurance agency (employee benefit alternatives for business and individuals). Clients of DELCO INVESTMENT ADVISORS may also be clients of these affiliated companies and these related companies may recommend to DELCO INVESTMENT ADVISORS advisory clients. No advisory client is obligated, however, to use the services of any of these companies.

Item 9.1 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

DELCO INVESTMENT ADVISORS recognizes that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and requires

that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that employees of DELCO INVESTMENT ADVISORS may own the same securities or types of securities in their own investment accounts.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts². In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, DELCO INVESTMENT ADVISORS has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. DELCO INVESTMENT ADVISORS and its representatives have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures.

DELCO INVESTMENT ADVISORS requires all supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review DELCO INVESTMENT ADVISORS's Code of Ethics in its entirety, a copy will be provided promptly upon request.

Related persons of DELCO INVESTMENT ADVISORS may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

² For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

Related persons of DELCO INVESTMENT ADVISORS may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities within 48 hours of buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

Item 9.2 - Review of Accounts

Reviews:

Investment Management Services

Account assets are supervised continuously and reviewed by an Investment Advisor Representative of DELCO INVESTMENT ADVISORS. The review process contains each of the following elements:

- a. assessing client goals and objectives;
- b. evaluating the employed strategy(ies);
- c. monitoring the portfolio(s); and
- d. addressing the need to rebalance.

Additional account reviews may be triggered by any of the following events:

- a specific client request;
- a change in client goals and objectives;
- an imbalance in a portfolio asset allocation;
- market/economic conditions; and
- realizing tax losses in an account.

Reports:

Periodically, clients will receive performance reports prepared by DELCO INVESTMENT ADVISORS that summarize the client's account and asset allocation. Clients will also receive monthly statements from their account custodian, which will outline the client's current positions and current market value. Consulting clients receive reports as contracted for at the inception of the advisory relationship.

Item 9.3 - Client Referrals and Other Compensation

Client Referrals

DELCO INVESTMENT ADVISORS may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals. Clients should understand that these persons have an economic incentive to recommend the advisory services of DELCO INVESTMENT ADVISORS. DELCO INVESTMENT ADVISORS is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations. As such, appropriate disclosure shall be made, all written instruments will be maintained by DELCO INVESTMENT ADVISORS and all applicable Federal and/or State laws will be observed.

Other Compensation

As indicated under the disclosure for Item 12, SAS provides DELCO INVESTMENT ADVISORS with access to services, which are not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis at no charge to them.

These services benefit DELCO INVESTMENT ADVISORS but may not benefit its clients' accounts. Many of the products and services assist DELCO INVESTMENT ADVISORS in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of DELCO INVESTMENT ADVISORS's fees from its clients' accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of DELCO INVESTMENT ADVISORS accounts. SAS also makes available to DELCO INVESTMENT ADVISORS other services intended to help DELCO INVESTMENT ADVISORS manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. DELCO INVESTMENT ADVISORS does not, however, enter into any commitments with SAS for transaction levels in exchange for any services or products. While as a fiduciary, DELCO INVESTMENT ADVISORS endeavors to act in its clients' best interests, DELCO INVESTMENT ADVISORS's requirement that clients maintain their assets in accounts at SAS may be based in part on the benefit to DELCO INVESTMENT ADVISORS of the availability of some of the foregoing products and

services and not solely on the nature, cost or quality of custody and brokerage services provided by SAS, which may create a potential conflict of interest.

Schwab provides various products, services and other benefits to DELCO INVESTMENT ADVISORS at no cost or a reduced cost based on DELCO INVESTMENT ADVISORS's commitment that DELCO INVESTMENT ADVISORS's clients will place or maintain a specified dollar amount of assets in accounts at SAS within a specified period of time. DELCO INVESTMENT ADVISORS may be influenced by this commitment in recommending or requiring that client's establish brokerage accounts at Schwab. The products and services or other benefits provided by Schwab currently include the payment of fees for the following services and/or cost that DELCO INVESTMENT ADVISORS may incur: 1) transfer of account exit fees that DELCO INVESTMENT ADVISORS's client accounts may incur when transferring assets to Schwab 2) compliance consulting services 3) acquisition of customer relationship software (and data conversion) 4) technology consulting, technology software, workflow software and consulting, and compliance software implementation and training. Schwab will also pay for all expenses related to travel to Schwab facilities for certain DELCO INVESTMENT ADVISORS personnel for training and education at the facilities, which may include but is not limited to, account opening, transfer and ongoing account management processes, fee processes, servicing processes and account management for various types of accounts. Additional event subsidies or expenses from Schwab may also include providing speakers and designing educational/informational seminars and conferences for DELCO INVESTMENT ADVISORS clients or preparing white papers on various financial topics.

Some of the products, services and other benefits provided by Schwab benefits DELCO INVESTMENT ADVISORS and may not benefit DELCO INVESTMENT ADVISORS clients' accounts. DELCO INVESTMENT ADVISORS recommendation that a client place assets in Schwab's custody may be based in part on benefits to DELCO INVESTMENT ADVISORS, and not solely on the nature, cost or quality of custody and execution services provided by Schwab.

DELCO INVESTMENT ADVISORS does not, however, enter into any commitments with this broker for transaction levels in exchange for any services or products. While as a fiduciary, DELCO INVESTMENT ADVISORS endeavors to act in its clients' best interests, DELCO INVESTMENT ADVISORS's requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to DELCO INVESTMENT ADVISORS of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the broker, which may create a potential conflict of interest.

For DELCO INVESTMENT ADVISORS's client accounts maintained in custody at Schwab, Schwab does charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

On occasion, certain retirement plan service providers utilized by DELCO INVESTMENT ADVISORS may pay for or subsidize all of the cost, including travel and lodging related to the service provider's sponsored training and educational conferences for DELCO INVESTMENT ADVISORS personnel. DELCO INVESTMENT ADVISORS does not, however, enter into any commitments with any retirement plan service providers for transaction levels or asset sizes in exchange for any services, products or conferences. While as a fiduciary, DELCO INVESTMENT ADVISORS endeavors to act in its clients' best interests, DELCO INVESTMENT ADVISORS's recommendation that a client maintain their retirement plan assets at a certain retirement plan service provider may be based in part on the benefit to DELCO INVESTMENT ADVISORS of the availability of some of the foregoing services and not solely on the nature, cost or quality of custody and brokerage services provided, which may create a potential conflict of interest.

DELCO INVESTMENT ADVISORS also receives software from DFA, which DELCO INVESTMENT ADVISORS utilizes in forming asset allocation strategies and producing performance reports. DFA also provides continuing education for DELCO INVESTMENT ADVISORS personnel. These services are designed to assist DELCO INVESTMENT ADVISORS plan and design its services for business growth.

Item 9.4 - Financial Information

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about DELCO INVESTMENT ADVISORS's financial condition. DELCO INVESTMENT ADVISORS 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.

Item 10 - Requirements for State-Registered Advisers

As a state registered investment advisor, we are required to describe any relationship or arrangement that DELCO INVESTMENT ADVISORS or any of our *management persons* have with any issuer of securities that is not listed in Item 9.A.2 of Part 2A Appendix 1 of Form ADV. DELCO INVESTMENT ADVISORS has responded to this Item in Item 9.A.2 of this Part 2A Appendix 1 of Form ADV.