



| Investment Advisory Services

SWBC Investment Advisory Services LLC

900 South Capital of Texas, Suite 155

Austin, TX 78746

866.270.4874

Firm Brochure (Form ADV Part 2A)

August 1, 2011

This brochure provides information about the qualifications and business practices of SWBC Investment Advisory Services LLC. If you have any questions about the contents of this brochure, please call 866.270.4874. 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.

SWBC Investment Advisory Services LLC is a Registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. Additional information about SWBC Investment Advisory Services LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that all advisors 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 the brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure. We will further provide clients with a new brochure as necessary based on changes or new information, at any time, without charge. Our brochure may be requested by contacting us at 866.270.4874.

Item 3 – Table of Contents

SWBC Investment Advisory Services LLC is a Registered Investment Advisor. Registration of an Investment Advisor does not imply any level of skill or training. Additional information about SWBC Investment Advisory Services LLC is also available on the SEC's website at www.adviserinfo.sec.gov. 1

Item 2 – Material Changes 2

Item 3 – Table of Contents..... 3

Item 4 – Advisory Business 4

Item 5 – Fees and Compensation 6

Item 6 – Performance-Based Fees and Side-by-Side Comparison 7

Item 7 – Types of Clients 7

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss 8

Item 9 – Disciplinary Information 11

Item 10 – Other Financial Industry Activities and Affiliations 11

Item 11 – Code of Ethics 12

Item 12 – Brokerage Practices 13

Item 13 – Review of Accounts 13

Item 14 – Client Referrals and Other Compensation 13

Item 15 – Custody 13

Item 16 – Investment Discretion 14

Item 17 – Voting Client Securities..... 14

Item 18 – Financial Information..... 14

Item 4 – Advisory Business

SWBC Investment Advisory Services LLC (“firm” or “adviser”) is an SEC Registered Investment Advisory firm. We are a wholly-owned subsidiary of Southwest Business Corporation, established in April 1976. Southwest Business Corporation also owns SWBC Investment Services, LLC (a FINRA registered Broker/ Dealer) and SWBC Investment Company, Inc. (an SEC Registered Investment Adviser).

SWBC Investment Advisory Services LLC’s sole focus is providing advisory services to the retirement plan market with fiduciary responsibility as defined by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). This is accomplished by defining services for two market segments. The first is referred to as our consulting practice, which concentrates on the custom requirements of an individual retirement plan sponsor. The second is referred to as our product practice, which develops and manages an enterprise-level advisory discipline for groups of retirement plan sponsors with similar characteristics using a single recordkeeping vendor solution.

Consulting Practice

SWBC Investment Advisory Services LLC provides advisory services to organizations sponsoring retirement plans which may include 401(k) plans, 403(b) plans, pension plans, profit sharing plans, and non-qualified plans, collectively referred to as plan sponsors (“Plan Sponsor”).

SWBC Investment Advisory Services LLC will require each Plan Sponsor to make a selection of services in writing as part of the Advisory Services Agreement which sets forth the rights and obligations of SWBC Investment Advisory Services LLC and the Plan Sponsor.

SWBC Investment Advisory Services LLC acknowledges its status as a fiduciary under Section 3(21) of ERISA, solely with respect to advisory services provided to the Plan Sponsor pursuant to the terms and conditions of the Advisory Services Agreement. SWBC Investment Advisory Services LLC will not assume fiduciary status or any liability with respect to investment options that are not recommended by SWBC Investment Advisory Services LLC.

Advisory Services include, but are not limited to:

- Serving as Fiduciary as defined by ERISA
- Investment Policy Statement Development and Management
- Review and Analysis of Existing Investment Options
- Investment Option Search and Selection
- Investment Option Monitoring and Due Diligence
- Quarterly Performance Reporting and Review
- Asset Allocation Analysis
- Model Portfolio Development and Management

Product Practice

SWBC Investment Advisory Services LLC may also provide enterprise-level advisory services to retirement plan vendors (“Product Client”) that serve a variety of plan types including 401(k) plans, 403(b) plans, pension plans, profit sharing plans, and non-qualified plans, collectively referred to as Plan Sponsor(s).

plans, collectively referred to as Plan Sponsor(s).

SWBC Investment Advisory Services LLC will require each Plan Sponsor to sign an Advisory Services Agreement (“ASA”), which sets forth the rights and obligations of SWBC Investment Advisory Services LLC and the Plan Sponsor.

SWBC Investment Advisory Services LLC acknowledges its status as a fiduciary under Section 3(21) of ERISA, solely with respect to advisory services provided to the Plan Sponsor pursuant to the terms and conditions of the Advisory Services Agreement.

SWBC Investment Advisory Services LLC will not assume fiduciary status or any liability with respect to investment options that are not recommended by SWBC Investment Advisory Services LLC.

Advisory Services include:

Product Client Investment Advisory Services

- Investment Policy Statement Development and Management
- Review and Analysis of Existing Investment Options
- Investment Option Search and Selection
- Investment Option Monitoring and Due Diligence
- Quarterly Performance Reporting and Review

Plan Sponsor Investment Advisory Services

- Serving as Fiduciary as defined by ERISA
- Investment Policy Statement Development and Management
- Investment Option Search and Selection
- Investment Option Monitoring and Due Diligence
- Quarterly Performance Reporting and Review

Item 5 – Fees and Compensation

SWBC Investment Advisory Services LLC will require each Plan Sponsor to acknowledge the scope of services in writing as part of the Advisory Services Agreement, which sets forth the rights and obligations of SWBC Investment Advisory Services LLC and the Plan Sponsor. The Advisory Services Agreement is customized to state the negotiated fee.

In general, fees charged for investment advisory services are payable quarterly, in arrears, and are based upon the market value of the assets on either the last day of the calendar quarter or a more complex calculation based upon the monthly average value. Fees may be direct billed to the Plan Sponsor or sent to a third party administrator (“TPA”) or custodian at the Plan Sponsor’s instruction. Fees for a Plan Sponsor engaging SWBC Investment Advisory Services LLC mid-quarter will be prorated.

The Advisory Services Agreement (“ASA”) will continue in effect until terminated by either party upon written notice to the other party, most commonly at least sixty (60) days in advance. If any advisory relationship terminates before the last day of a quarter, fees are prorated accordingly and SWBC Investment Advisory Services LLC will refund any unearned fees due to the Plan Sponsor.

Fees are negotiated prior to the signing of the ASA. In general, fees are expressed as a percentage of total assets and do not exceed 1% annually.

SWBC Investment Advisory Services LLC does not receive any compensation other than the fees described in the ASA. Any client may be required to meet minimum annual fee requirements until their specific plan or program exceeds a defined threshold. Even in this scenario Plan Sponsors will not pay more than the fees described in the ASA.

A portion of the fees charged by SWBC Investment Advisory Services LLC may be paid to Investment Advisory Representatives employed by SWBC Investment Advisory Services LLC.

Item 6 – Performance-Based Fees and Side-by-Side Comparison

SWBC Investment Advisory Services LLC does not accept performance based fees or offer performance based fee schedules.

Item 7 – Types of Clients

SWBC Investment Advisory Services LLC’s sole focus is providing advisory services to the retirement plan market with fiduciary responsibility as defined by the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). This is accomplished by defining services for two market segments. The first is referred to as our consulting practice, which concentrates on the custom requirements of an individual retirement plan sponsor. The second is referred to as our product practice, which develops and manages an enterprise-level advisory discipline for groups of retirement plan sponsors with similar characteristics using a single recordkeeping vendor solution.

SWBC Investment Advisory Services LLC provides advisory services to retirement plans which may include 401(k) plans, 403(b) plans, pension plans, profit sharing plans and non-qualified plans, collectively referred to as Plan Sponsor(s).

SWBC Investment Advisory Services LLC may also provide enterprise-level advisory services to retirement plan vendors that serve a variety of plan types including 401(k) plans, 403(b) plans, pension plans, profit sharing plans, and non-qualified plans, collectively referred to as Plan Sponsors.

SWBC Investment Advisory Services LLC does not provide advisory services to individual investors or institutional investors outside the scope of company sponsored retirement plans.

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss

SWBC Investment Advisory Services LLC bases investment recommendations on the quantitative and qualitative criteria in the Investment Policy Statement established for each Plan Sponsor. A retirement plan is analyzed separately, paying particular attention to limitations on the investment options as determined by the plan documents and the Plan's current service provider's available universe of investment options.

SWBC Investment Advisory Services LLC applies various security analysis methods including fundamental analysis and quantitative and qualitative research for each investment vehicle. Information for this analysis may be drawn from financial newspapers, magazines and databases, research materials prepared by others, annual reports, corporate filings and prospectuses.

Investment Advisory Representatives employed by SWBC Investment Advisory Services LLC meet with Portfolio Managers and Analysts employed by Investment Companies in order to develop our recommendations.

All investments carry some amount of risk. SWBC Investment Advisory Services LLC's investment strategies may be subject to the following principal investment risks:

Credit Risks – The risk that the portfolio could lose money if the issuer of guarantor of a fixed-income security, or the counter-party to a derivative contract, is unable or unwilling to meet its financial obligations.

Counter-party Risks – A portfolio may incur a loss if the other party to an investment contract, such as a derivative, fails to fulfill its contractual obligation.

Currency Risks – The risk that foreign currencies will decline in value relative to the US dollar and affect a portfolio's investments in foreign (non-US) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-US) currencies.

Debt Securities Risks – The issuer of a debt security may fail to pay interest of principal when due, and changes in market interest rates may reduce the value of debt securities or reduce the portfolio's returns.

Derivatives Risks – The use of derivatives such as futures, options and swap agreements can lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than offset risk.

Emerging-markets Risk – Foreign investment risks are typically greater for securities in emerging markets, which can be more vulnerable to recessions, currency volatility, inflation and market failure.

Equity Risks – The risk that the value of equity securities, such as common stocks and preferred stocks, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

ETF Risks – A portfolio will be exposed indirectly to all of the risks of securities held by an ETF.

Foreign investment Risk – Foreign investments face the potential of heightened illiquidity, greater price volatility and adverse effects of political, regulatory, tax, currency, economic or other macroeconomic developments.

High-yield securities Risk – High-yield securities have a much greater risk of default or of not returning principal and tend to be more volatile than higher-rated securities of similar maturity.

Interest-rate Risk – The risk that fixed income securities will decline in value because of an increase in interest rates.

Issuer Risk – The value of a security may decline because of adverse events or circumstances that directly relate to conditions at the issuer or any entity providing it credit or liquidity support.

Issuer non-diversification Risk – The risks of focusing investments in a small number of issuers, industries, or foreign currencies, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be.

Leverage Risk – The risk that certain portfolio transactions may give rise to leverage, causing the portfolio to be more volatile than if it had not been leveraged.

Liquidity Risk – A security may not be able to be sold at the time desired or without adversely affecting the price.

Market Risk – The market price of securities held by a portfolio may rapidly or unpredictably decline due to factors affecting securities markets generally or particular industries.

Mortgage- and Asset-Backed Securities Risk – These securities may decline in value when defaults on the underlying mortgage or assets occur and may exhibit additional volatility in periods of changing interest rates. When interest rates decline, the prepayment of mortgages or assets underlying such securities may require the reinvestment of money at lower prevailing interest rates, resulting in reduced returns.

Regulatory Risk – The risk that changes in government regulations may adversely affect the value of a security. An insufficiently regulated industry or market might also permit inappropriate practices that adversely affect an investment.

Short Sale Risk – The risk of entering into short sales includes the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale may fail to honor its contract terms, causing a loss to a portfolio.

Private Securities Risk – Private securities contain the risks of their respective public securities, but these risks can be magnified due to their illiquidity and lack of public knowledge on the business. These securities are inherently more risky.

Real Estate Risk – The real estate market has experienced some large swings recently. Due to changes in interest rates, the lending market, economic policy, and supply and demand, in addition to illiquidity, real estate investments can carry a great deal of risk.

Item 9 – Disciplinary Information

SWBC Investment Advisory Services LLC has no disciplinary actions to disclose.

Item 10 – Other Financial Industry Activities and Affiliations

SWBC Investment Advisory Services LLC is an SEC Registered Investment Advisory firm. We are a wholly-owned subsidiary of Southwest Business Corporation, established in April 1976. Southwest Business Corporation also owns SWBC Investment Services, LLC (a FINRA registered Broker/ Dealer) and SWBC Investment Company, Inc. (an SEC Registered Investment Adviser).

Investment Advisory Representatives employed by SWBC Investment Advisory Services LLC do not provide services through either of the affiliated entities.

Item 11 – Code of Ethics

The firm has established a Code of Ethics and will provide a copy of this Code, with amendments, to all supervised persons and to any client or prospective client who indicates in writing a desire to obtain a copy.

The firm will document acceptance / acknowledgement of the required code, meaning an intention to abide by Federal Laws and rules regarding the prohibition against the use of insider information and Rule 204A-1.

In order to prevent misuse of material, non-public information, the firm requires:

- all persons with access to such information to report their holdings and transactions to the firm in writing by means of copies of such market transactions for themselves and their near relatives (spouses, children, parents and siblings). The broker/dealer used must be SWBC Investment Services, LLC;
- supervised persons to report promptly to an officer any violations of the code;
- that an appropriate designated person be named to maintain and enforce the code;
- at least an annual review to evaluate the Code's efficacy and applicability.

The firm's identified "Access Persons" are required to report periodically their own personal securities transactions and holdings and those of near relatives, etc. to the Chief Compliance Officer and/or other designated person.

These periodic reports shall include, at a minimum, a complete report of each Access Person's securities holdings at the time the person becomes an Access Person and at least once a year thereafter. Access Persons shall submit quarterly reports of all their personal securities transactions no later than 30 days after the close of the calendar quarter.

Access Persons shall submit holdings and transaction reports for "reportable securities" in which the Access Person has or acquires any direct or indirect beneficial ownership. All Access Persons shall obtain the investment adviser's approval before investing in any IPO or private placement.

In adopting the Code of Ethics, the firm also adopts the standard that requires all employees to live up to a standard of ethical conduct based on principles of openness, integrity, honesty and trust.

Item 12 – Brokerage Practices

SWBC Investment Advisory Services LLC does not custody assets nor do we determine which broker and/or institution executes trades for our clients.

Item 13 – Review of Accounts

SWBC Investment Advisory Services LLC reviews the investment options that have been recommended to Plan Sponsors on a quarterly basis in accordance with the monitoring criteria established in each Plan Sponsor's Investment Policy Statement.

SWBC Investment Advisory Services LLC receives the holdings information for a Plan Sponsor's account through third parties that would include either the third party administrator ("TPA") or custodian.

Item 14 – Client Referrals and Other Compensation

SWBC Investment Advisory Services LLC's primary source of business development is based on referrals from existing clients, employees of Southwest Business Corporation, and individuals not associated with our company.

SWBC Investment Advisory Services LLC does not compensate these individuals for referrals.

Item 15 – Custody

SWBC Investment Advisory Services LLC does not custody assets. The Plan Sponsors receive statements from their custodians and TPAs.

Item 16 – Investment Discretion

SWBC Investment Advisory Services LLC does not have discretionary authority for the accounts of Plan Sponsors.

Item 17 – Voting Client Securities

SWBC Investment Advisory Services LLC does not have, and will not accept, authority to vote on our Plan Sponsor's behalf. Since we do not custody assets, we would not have this opportunity. Should we receive this type of request on behalf of our Plan Sponsors, we will forward the information to them promptly.

Item 18 – Financial Information

Registered Investment Advisors are required to provide you with certain financial information or disclosures about SWBC Investment Advisory Services LLC's financial condition.

SWBC Investment Advisory Services LLC has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients and has not been the subject of any bankruptcy proceeding.