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**Registered Investment  
Advisor Brochure  
03/31/2011**

*This brochure has not been approved by the Securities and Exchange Commission or any state securities authority. Tompkins Financial Advisors is an investment advisor registered with the Securities and Exchange Commission. Registration does not imply any level or skill or training.*

## SUMMARY OF MATERIAL CHANGES

Ensemble Financial Services, Inc., a dually registered broker dealer / investment advisor has provided back office, operational and compliance support to independent contractor advisors since 1986. We provide tools and products that allow your advisor to managed your accounts the way that both of you agreed, without a proprietary investment philosophy or strategy.

It is expected that during July 2011 Ensemble financial services will close the investment advisor. Your advisor will re-register with another advisory firm that meets his /her and your needs. Notices that you must read and sign will be provided to you. If you have any questions about this transition or anything in this brochure, please contact our Compliance Department at 585-248-0050 or at [compliance@ensemblefs.com](mailto:compliance@ensemblefs.com)

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## 1. ENSEMBLE FINANCIAL SERVICES, INC

ENSEMBLE FINANCIAL SERVICES, INC. (Ensemble) supports independent contractors that act as investment advisor representatives (IARs or advisors) through Ensemble's registered investment advisory firm, registered with the Securities and Exchange Commission (SEC).

Your advisor runs his/her own business with Ensemble providing technology, tools, back office and regulatory support. Therefore clients of other advisors affiliated with Ensemble may have services and fees that are different from those offered by your advisor.

At all times your advisor must comply with the rules of the Investment Advisors Act of 1940. Ensemble's compliance department reviews and works with your advisor to ensure that compliance.

***If you ever have any questions about your advisor or Ensemble, please contact our compliance department at 585-248-0050.***

### 1.1 Investment Services

Revision date 03/31/2011

Our independent advisors provide investment advisory/supervisory services to you regarding the allocation of money among various asset categories such as:

- cash equivalents,
- domestic bonds
- international bonds
- domestic common stocks
- international common stocks
- real estate
- private placements

They also provide advice concerning the selection and retention of individual investment positions and professionally managed investment alternatives.

Our independent advisors help develop your investment strategy through

- setting reasonable investment objectives
- determining an appropriate balance among major asset categories within the investment portfolio in conjunction with a clients risk tolerance
- specifying benchmarks for monitoring portfolio investment performance
- determining appropriate investment vehicles

Your independent advisor monitors your portfolio results through portfolio rebalancing, coordinating with your investment objectives and risk tolerance. Ensemble supervises your advisor's management of your account.

When appropriate your advisor may recommend the use of various options strategies. Because this investment strategy involves certain additional degrees of risk, it will only be recommended when consistent with your stated tolerance for risk.

### **Assets under Management**

Ensemble manages \$410 million in assets as of 12/31/2010.

<b>1.2 Third Party Managed Asset Fee Programs</b>
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Revision date 03/31/2011
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You may benefit from using a Third Party Managed Asset Program (MAP). MAPs belong to one of three types:

- Managed Account Programs – you are provided with advice about portfolio managers but are charged advisory fees together with transaction-based commissions (rather than a single fee),
- Mutual Fund Asset Allocation Programs – your investments are placed in mutual fund based portfolios that match your goals and risk tolerance.
- Solicitation Programs – you are connected with a program manager other than Ensemble.

Ensemble has reviewed the strategies, the investment and portfolio offerings, costs and fees and approved several of these programs for your use.

If appropriate for you, your independent advisor will work with you to determine which program best suits your needs. Not all Ensemble advisors offer these programs.

<b>1.3 Wrap Account Programs</b>
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Revision date 03/31/2011
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You may benefit from participating in a Wrap Account Program (WRAP). A WRAP is sponsored by Ensemble and another registered investment advisor (RIA).

Ensemble independent advisors will be responsible for:

- client communication
- annual suitability reviews
- maintaining account information
- delivering required disclosures written by the designated sponsoring advisor

The other sponsoring RIA will generally be responsible for:

- portfolio management
- selection of managers
- transaction execution

Ensemble has reviewed the strategies, the investment and portfolio offerings, costs and fees and approved several of these WRAP programs for your use.

If appropriate for you, your independent advisor will work with you to determine which program best suits your needs. Not all advisors offer these programs.

<b>1.4 Financial Planning</b>
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Revision date 03/31/2011
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Your independent advisor reviews and analyzes your personal and financial information to address your current financial circumstances or specific area(s) of interest. Plans may include (but are not limited to) any combination of the following:

- current investments
- retirement planning
- analysis of income tax returns
- insurance coverage
- will review
- estate planning
- fringe benefits
- cash flow management

<b>1.5 Insurance Review and Analysis</b>
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Revision date 03/31/2011
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This service provides a written analysis of an existing life insurance policy, including:

- current policy information
- comparison of original projected policy performance with actual performance
- comparison of current policy to policies in today's marketplace
- review of appropriateness of potential replacement
- review financial strength and ratings of current and any proposed insurance company

This service is provided by licensed insurance agents.

<b>1.6 Consulting Services</b>
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Revision date 03/31/2011
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Our independent advisors may provide miscellaneous investment consulting services, including specific mutual fund research.

## **2. FEES & COMPENSATION**

<b>2.1 Advisory Services</b>
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Revision date 03/31/2011
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The annual fee for Ensemble portfolio management services is charged as a percentage of assets under management, ranging up to one and one half percent (1.50%).

- Your independent advisor sets the rates within that range.
- Advisory fees are negotiable and charged quarterly in advance.
- Asset management fees may be deducted directly from your account in accordance with the advisory agreement.
- Some advisors may allow you to pay by check.
- All payments are made to Ensemble and we then pay your advisor.

<b>2.2 Third Party Managed Asset Programs</b>
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Revision date 03/31/2011
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Fees for Third Party Managed Asset Programs (MAPs) are set by these programs and disclosed on the program's disclosure brochure, program application, client agreement or other documentation provided by the separately managed account program.

Your independent advisors may charge an additional fee in conjunction with the program or your advisor may receive part of the fee you pay to the MAP. When you open your account the details of these fees will be provided to you.

The MAP will deduct fees from your account according to your agreement and pay a portion to Ensemble who will then pay your advisor.

<b>2.3 Wrap Account Programs</b>
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Revision date 03/31/2011
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Wrap Account Program (WRAP) fees are set by these programs and disclosed on the program's disclosure brochure, program application, client agreement or other documentation provided by the separately managed account program.



Your independent advisors may charge an additional fee in conjunction with the program or your advisor may receive part of the fee you pay to the WRAP. When you open your account the details of these fees will be provided to you.

The WRAP will deduct fees from your account according to your agreement and pay a portion to Ensemble who will then pay your advisor.

<b>2.4 Financial Planning</b>
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Revision date 03/31/2011
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Our independent advisors provided financial planning on an hourly basis for services rendered at a rate of up to \$250 per hour.

- Your independent advisor sets the rates within that range.
- This hourly fee is negotiable based on your individual circumstances.
- Fees may be paid at the beginning of the planning or may be charged on a periodic basis.
  - Fee payments are described in the Financial Planning Agreement.
- All hourly fees are non-refundable as they are charged for work completed.

<b>2.5 Insurance Review and Analysis</b>
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Revision date 03/31/2011
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The cost of this service is negotiable depending upon the size and composition of your case.

<b>2.6 Consulting Services</b>
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Revision date 03/31/2011
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The cost of this service is negotiable depending upon details of the services provided.

<b>2.7 How Fees Are Charged</b>
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Revision date 03/31/2011
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Advisory fees are negotiable and charged quarterly in advance. Asset management fees are paid either directly by you or may be deducted directly from your account in accordance with your advisory agreement.

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|---|
| <ul style="list-style-type: none"><li>• The first fee payment is due upon receipt of funds and will be assessed pro rata for the portion of the quarter in which they are invested.</li><li>• Subsequent payments are due and assessed on the last day of a quarter.</li><li>• If assets are withdrawn before the end of a quarter, the advisory/supervisory fee charged will be prorated based on the number of days during the quarter the assets were held in the account.</li></ul> |
|---|

### Automatically Calculated Fees

- Fees are calculated on the average daily balance of the account.
- Our clearing firm, National Financial Services, calculates the average daily balance based on the amount in your account at the close of business each day the market is open.
- Annual fees are calculated by multiplying the average daily balance by the percentage charged.
- Daily fees are determined by taking the annual fee and dividing it by 365.
- The quarterly fee is then calculated by multiply the daily fee by the number days in the quarter that your account is open.
- Fees are deducted from the account on the 15<sup>th</sup> business day of the month.
- Unearned fees are refunded to you if you close your account on any day other than the quarter end.
- Refunds are sent to you within 45 days after the transfer of funds.

Initial fees are based on the average daily balance of the account for the first month prorated for the number of days the account is open during the quarter. The first fee is debited from your account on the fifteenth business day of the following month

For example you open an account with \$50,000 and your advisor is charging you 1% of assets under management.

New Account Example	
Deposit on January 5th:	\$ 50,000.00
With market changes for the period* your average daily balance on January 31 is:	\$ 50,005.00
The average daily balance is multiplied by your fee of 1% annually:	\$ 500.05
This fee is divided by 365 days to get your daily fee:	\$ 1.37
We then calculate the number of days in the account is open:	
Days in January - 26	
Days in February - 28	
Days in March - 31	
Total days your account will be open for the quarter:	85
The daily fee of \$1.37 is then multiplied by those 85 days:	\$ 116.45
So your total fee for the first quarter will be and will be debited on the 15th business day of February	<b>\$ 116.45</b>

Thereafter fees are based on the average daily balance for the quarter.

Current Account Example	
With market changes for the period* your average daily balance on March 31 is:	\$ 50,005.00
The average daily balance is multiplied by your fee of 1% annually:	\$ 500.05
This fee is divided by 365 days to get your daily fee:	\$ 1.37
We then calculated the number of days in the quarter:	
Days in April - 30	
Days in May - 31	
Days in June- 30	
Total days your account will be open for the quarter:	91
The daily fee of \$1.37 is then multiplied by those 91 days:	\$ 124.67
So your total fee for the first quarter will be and will be debited on the 15th business day of April	<b>\$ 124.67</b>

If you close your account on a day other than the end of the quarter we will refund the unused portion to you.

Account Closing Example	
With market changes for the period* your average daily balance on June 30 was:	\$45,000.00
The average daily balance was multiplied by your fee of 1% annually:	\$450.00
This fee was divided by 365 days to get your daily fee:	\$1.23
We then calculated the number of days in the quarter:	
Days in July - 31	
Days in August - 31	
Days in September - 30	
Total days your account was expected to be open for the quarter	92
On the 15 <sup>th</sup> business day of July you were charged the daily fee times those 92 days:	<b>\$112.19</b>
You close your account on August 18:	
Your account was open for a portion of the quarter:	
Days in July - 31	
Days in August - 18	
Total days your account was open for the quarter:	49
Open days minus total days is the number of days you will be refunded:	<b>43</b>
We multiply those 43 days by the daily fee of \$1.23 and will refund that amount to you	<b>\$52.89</b>

***\*We do not guarantee that there will be any gains to your account. There may be no change or you could lose money.***

### **Manually Billed Accounts:**

- Fees are calculated on the average monthly ending balance, as shown on the monthly statement of the account.
- Annual fees are calculated by multiplying the average monthly ending balance by the percentage charged.
- Quarterly fees are determined by dividing the annual fee by 4.
- Daily fees are determined by taking the annual fee and dividing it by 365. The quarterly fee is then calculated by multiply the daily fee by the number days in the quarter that your account is open.
- This fee is debited no later than the 25<sup>th</sup> day after quarter end.
- Unearned fees are refunded to you if you close your account on any day other than the quarter end.
- Refunds are sent to you within 45 days after the funds transfer.

For example you open an account with \$50,000 and your advisor is charging you 1% of assets under management

New Accounts Example	
Deposit on January 5th:	\$ 50,000.00
The ending balance on your January 31 statement:	\$ 50,005.00
Multiplied by the 1% advisory fee:	\$ 500.05
Divided by 365 days give us the daily fee:	\$ 1.37
The number of days the account is open during the quarter:	85
Days in January - 26	
Days in February - 28	
Days in March - 31	
The daily fee multiplied by the number of days gives you the first pro rated quarterly fee:	\$ 116.45
So your total fee for the first quarter will be and will be debited by the 25th of February	<b>\$ 116.45</b>

Thereafter fees are based on the average monthly ending balance for the quarter.

Current Accounts Example	
The ending balance on your January 31 statement:	\$ 50,005.00
The ending balance on your February 28 statement:	\$ 50,004.00
The ending balance on your March 31 statement:	\$ 50,006.00
The average of these three ending balances	\$ 50,005.00
The average monthly balance is multiplied by your fee of 1% annually	\$ 500.05
This fee is divided by 4 to get the fee for the quarter covering:	\$ 125.01
April, May, June	
So your total fee for the this quarter will be and will be debited by the 25th day of April	<b>\$ 125.01</b>

If you close your account on a day other than the end of the quarter we will refund the unused portion to you.

Account Closing Example	
The ending balance on your April 30 statement:	\$50,009.00
The ending balance on your May 31 statement:	\$50,008.00
The ending balance on your June 30 statement:	\$50,007.00
The average of these three ending balances:	\$50,008.00
The average monthly balance was multiplied by your fee of 1% annually	\$500.08
This fee was divided by 4 to get the fee for the quarter covering:	\$125.02
July, August, September	
So your total fee collected for the this quarter was:	\$125.02
You close your account on August 18:	
Your account was open for a portion of the quarter:	
Days in July - 31	
Days in August - 18	
Total days your account was open for the quarter:	48
We then calculated the number of days in the quarter:	92
Days in July - 31	
Days in August - 31	
Days in September - 30	
The days open are subtracted from the total days in the quarter	44
Your annual fee is divided by 365 days to get the daily fee:	\$1.37
Your daily fee is multiplied by the unused days:	\$60.28
So the unused portion of your fee is and will be refunded to you	<b>\$60.28</b>

## **Flat Fees**

There may be some accounts that pay a flat annual fee regardless of assets under management. Annual fees are divided by four and charged quarterly in advance.

## **Planning, Insurance Review and Consulting Service Fees**

The fees for financial planning, insurance review and consulting services may be paid in one lump sum or billed quarterly.

Your agreement with your independent advisor will explain your payment terms. You will be billed and payments will be made to Ensemble who will then pay your advisor.

<b>2.8 General Information Regarding Fees</b>
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Revision date 03/31/2011
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***In certain circumstances, fees may be negotiable.***

Your fee is not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

<b><i>You may cancel the professional relationship with Ensemble within five (5) business days of signing the Agreement. All fees paid will be promptly refunded. Notification of cancelation must be in writing.</i></b>
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Thereafter, either party may end the professional relationship. Once the account is closed the unearned portion of the advisory/supervisory fee you paid in the current quarter will be refunded.

Fees that are billed or charged and not paid after a period of 90 days may be deducted from your account.

## **3. OTHER FEES YOU MAY PAY**

<b>3.1 Mutual Fund Fees</b>
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Revision date 03/31/2011
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All fees paid to Ensemble for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus.

Mutual Fund fees will generally include:

- a management fee
- other fund expenses
- a possible distribution fee

If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

***You could invest in a mutual fund directly, without the services of Ensemble.***

In that case you would not receive the services provided by Ensemble to assist in determining which mutual fund or funds are most appropriate for your financial condition and objectives.

### **3.2 Custodian Fees**

Revision date 03/31/2011

Custodians for brokerage accounts and / or alternative investments may also charge additional transaction, maintenance and or custody fees.

These fees are disclosed on the account application, client agreement or related documentation provided by the custodian and are separate and distinct from the fees you to Ensemble for investment advisory services.

### **3.3 Third Party Managed Asset Programs**

Revision date 03/31/2011

If you are invested in a Third Party Managed Asset Program (“MAP”) you will pay fees directly to the MAP as stated in their advisory agreement. The MAP will pay Ensemble a portion of those fees and we will pay your advisor. All such arrangements are disclosed to you and meet the requirements of Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations.

Occasionally a MAP will use Ensemble Financial Services, Inc. as its custodian and fees will be collected and paid to the MAP as described above.

Fees for MAPs are set by these programs and disclosed on the program brochure, program application, client agreement or other documentation provided by the separately managed account program.

Ensemble does not charge any additional fees.

### 3.4 Wrap Account Programs

Revision date 03/31/2011

You will pay fees directly to a Wrap Account Program ("WRAP") as stated in their advisory agreement. The WRAP will pay Ensemble a portion of those fees and we will pay your advisor. All such arrangements are disclosed to you and meet the requirements of Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations.

Fees for WRAPs are set by these programs and disclosed on the program brochure, program application, client agreement or other documentation provided by the Wrap Account Program.

Ensemble does not add any additional fees.

### 3.5 Other Additional Fees

Revision date 12/31/2010

You may also pay for:

- selling securities in odd lots
- wire transfers
- maintenance fees
- electronic funds fees
- closing or transferring certain types of accounts
- transfer taxes
- overnight mailing
- fees and taxes on other brokerage accounts and securities transactions

### 3.6 Important Information Regarding Additional Fees

Revision date 03/31/2011

***You should review both the fees charged by the funds, custodian(s) and / or Third Party Asset Management Programs or Wrap Account Programs along with the fees charged by Ensemble to fully understand the total amount of fees you will be paying.***

### 3.7 Brokerage Fees

Revision date 03/31/2011

Many independent advisors of Ensemble are also registered representatives with the Ensemble broker dealer and as such may also offer you securities products for which they and the brokerage firm will receive a commission.



***You may execute these transactions through our broker dealer or through another broker dealer of your choice.***

***The receipt of commissions may cause a conflict of interest.***

Commissions will not be credited towards future advisory fees.

#### **4. ADVISOR COMPENSATION**

##### **4.1 Fees**

Revision date 03/31/2011

Independent advisors of Ensemble Financial Services, Inc. receive a percentage of the fees charged to your account.

***While we strive at all times to put your interests first as part of our fiduciary duty, you should be aware that the receipt of compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.***

***These charges are reviewed on a monthly basis to ensure you are being charged fairly and correctly and in accordance with your contract and Ensemble's policies.***

##### **4.2 Commissions**

Revision date 03/31/2011

If you execute recommended securities transactions through independent advisors who are also registered representatives of a broker dealer, your advisor may earn commissions which are separate and distinct from fees charged for advisory services. In some instances, depending on the size of the transaction or the relationship, advisory fees may be discounted, at Ensemble's discretion, for commissions earned.

In some instances your advisor may elect to manage an account solely on a commission basis. S/he will provide advisory services as defined under the Advisor's Act and subject to all the rules and requirements. S/he will be registered as a registered representative with Ensemble Financial Services, Inc., and compensated solely based on trades made in that capacity.

***While we strive at all times to put your interests first as part of our fiduciary duty, you should be aware that the receipt of compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.***

Your advisor may receive distribution related fees from certain mutual funds held in an advisory account.

***You could invest in a mutual fund directly, without the services of Ensemble.***

In that case you would not receive the services provided by your advisor to assist in determining which mutual fund or funds are most appropriate for your financial condition and objectives.

***Commissions are reviewed on a monthly basis to ensure you are being charged fairly and correctly and in accordance with your contract and Ensemble's policies.***

#### **4.3 Bonuses**

Revision date 03/31/2011

Ensemble does not pay bonuses to its independent contractor advisors.

#### **For advisors also registered with Tompkins Financial Advisors**

Tompkins Financial Advisors at its discretion may offer bonuses to advisors for meeting certain performance goals. Such goals may include:

- bringing in new clients
- client retention
- referring clients to other Tompkins services
- other career goals

None of these goals are specific to Ensemble.

***At no time are you obligated to provide a referral or to use any service of TFA or its affiliate companies.***

#### **4.4 Performance Fees**

Revision date 03/31/2011

Ensemble does not charge performance based fees

## **5. TYPES OF CLIENTS**

<b>5.1 Clients:</b>
Revision date 03/31/2011

Ensemble provides advisory, planning and trust services to:

- individuals
- pension and profit sharing plans
- charitable organizations
- trusts
- estates
- corporations and other business entities

<b>5.2 Conditions for Managing Accounts:</b>
Revision date 03/31/2011

**Advisory Services**

Ensemble Financial Services, Inc. does not require a minimum investment to manage accounts.

**Third Party Managed Asset or Wrap Account Programs**

Such programs may have their own minimum investment requirements.

## **6. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

<b>6.1 Strategy</b>
Revision date 03/31/2011

As an investment advisor for independent contractors Ensemble does not develop or provide particular strategies to you advisor. We allow established independent advisors to implement and engage in the strategies that they have developed and feel are most appropriate for you.

***You should discuss with your advisor his/her plans for managing your account, what strategy s/he intends to use and why.***

Our independent advisors use multiple strategies in their individual practices. These include:

- **Growth:** Focusing on investments with a potential for the stock price to increase.
- **Income:** Aims for acquisition of income and focuses on stable bonds or companies that pay dividends on a regular basis.
- **Value:** Focusing on stocks that are considered undervalued by the market. This means that the price of the stock is lower than the real value of the company that has issued it.

- **Asset Allocation:** Dividing an investment portfolio among different asset categories, such as stocks, bonds, and cash. The mix of assets to hold will depend largely on your time horizon and your ability to tolerate risk.
- **Buy and Hold:** Buys stocks and holds them for a long period of time, regardless of fluctuations in the market. A buy-and-hold strategy actively selects stocks, but once in a position, is not concerned with short-term price movements and technical indicators.
- **Active Management:** Active managers rely on analytical research, forecasts, and their own judgment and experience in making investment decisions on what securities to buy, hold and sell.
- **Relative value:** Exploits perceived mis-pricings and changing price relationships between similar or related securities. These relationships are more a function of market volumes and pricing volatility than movements in asset prices.

***Strategies involving frequent trading such as active management and relative value can affect investment performance.***

***No one strategy is proven better than another. All have benefits and risks and you must evaluate these in relationship to your goals and objectives***

***The investment advice provided by one independent advisor may be the same as or different than the investment advice provided by another advisors also registered with Ensemble.***

Once you agree on the strategy to be used it will be written down in your investment policy statement (IPS). Ensemble will review your account to ensure that your advisor is making transactions in the manner stated in your IPS.

In your portfolio you advisor may use some of or a combination of the following:

- mutual funds
- exchange-traded funds
- individual equities
- bonds
- CD's
- REITs
- options
- alternative investments (oil & gas, equipment leasing)

***All of these securities and their resulting strategies involve some level of risk including the potential loss of some or all principal.***

## 6.2 Risks

Revision date 03/31/2011

Investors face numerous risks. Ensemble advisors evaluate these risks when determining what investments to use in your portfolio. The following is a partial list of risks that may affect your portfolio. If you have questions or concerns regarding these risks, please talk to your advisor.

<b><u>Economic Risk</u></b> means the overall health of the economy of a country or locality could change	<b><u>Market Risk</u></b> is the possibility that securities prices will decline over short or long periods	<b><u>Interest Rate Risk</u></b> means changes in interest rates will affect the value of investments
<b><u>Credit Risk</u></b> is possible nonpayment of credit extended	<b><u>Inflation Risk</u></b> decreases the purchasing power of money	<b><u>Liquidity Risk</u></b> means an investor may be unable to sell a security
<b><u>Industry/Company Risk</u></b> is loss due to the risks that may affect a certain company or industry	<b><u>Call / Reinvestment Risk</u></b> means bonds may be redeemed (or "called") before maturity and funds must be invested at lower rates	<b><u>Political Risk</u></b> is any financial or other risk that stems from the possibility of a nation changing its policies

## 6.3 Analysis

Revision date 03/31/2011

Ensemble's independent advisors use several different methods of analysis to manage your accounts:

- **Fundamental analysis** is about using real data to evaluate a security's value. The end goal of performing fundamental analysis is to produce a value that you can compare with the security's current price, with the aim of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short).
- **Technical analysis** operates on the theory that market prices at any given point in time reflect all known factors affecting supply and demand for a particular market. This approach theorizes that a detailed analysis of, among other things, actual daily, weekly and monthly price fluctuations is the most effective means of attempting to capitalize on the future course of price movements.
- **Charting** is the graphing of market variables, especially of stock prices and market averages. It may also chart other variables including commodity prices, interest rates, and trading volume in an attempt to determine trends and project future values.

They also have access to several tools:

- Morningstar Advisor Workstation
- MoneyGuide Pro
- Streetscape (Provided by National Financial Services)
- Industry periodicals and notices
- Subscription information from approved vendors

***Independent advisors of Ensemble are not required to subscribe to any of the listed tools.***

## **7. DISCIPLINARY INFORMATION**

Ensemble has no reportable disclosures with respect to:

- financial conditions that may impair our ability to meet contractual commitments you
- our discretionary authority
- prepayment of advisory fees 6 months or more in advance; or
- legal or disciplinary events that affect our integrity or ability to meet contractual commitments

## **8. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **8.1 Tompkins Financial Advisors**

Revision date 03/31/2011

Ensemble is an affiliate company of AM&M Planners d/b/a Tompkins Financial Advisors (TFA).

Tompkins Financial Advisors is the brand name used by Tompkins Financial Corporation for the wealth management services offered by its separate subsidiaries Tompkins Trust Company and AM&M Financial Services, Inc. Tompkins Trust Company provides bank trust and asset management services. Tompkins Financial subsidiary AM&M Financial Services, a registered investment advisor (RIA), offers financial planning, investment, tax, and risk management services.

***Because principals of Ensemble have an interest in TFA, fees earned by TFAs will benefit the principals and thus create a conflict of interest. Clients of Ensemble, however, are under no obligation to utilize these services and may choose to use another provider and still retain Ensemble to provide its advisory services.***

## 8.2 Ensemble Risk Solutions

Revision date 03/31/2011

Ensemble Risk Solutions provides life, health, long term care, disability insurance and annuities as an independent agency and is regulated by the New York State Insurance Department. Ensemble holds general agency appointments and is an insurance broker with several insurance companies.

Your investment advisors may also be a licensed insurance agent and may offer you appropriate insurance products to enhance your financial security. In this capacity as an insurance agent any commissions paid to Ensemble Risk will benefit Ensemble Financial Services, Inc.

Through Ensemble Risk Solutions, Ensemble Financial Services, Inc. is a member of the M Group, a nationwide organization of independent insurance, investment, and executive benefit firms.

***Certain executive officers and related persons of Ensemble are also members of Msix, LLC; a limited liability company formed for investment in the M Group, and therefore may benefit indirectly from insurance business.***

## 8.3 Tompkins Financial Corporation

Revision date 03/31/2011

Ensemble's parent company is Tompkins Financial Corporation (Tompkins). Tompkins operates full service-banking offices in local market areas throughout New York State and is regulated by the New York State Banking Department. Tompkins provides traditional banking services for individuals and businesses. Tompkins also offers personal and business insurance products through its Tompkins Insurance Agency, Inc. subsidiary, regulated by the New York State Insurance Department.

Each Tompkins Financial Corporation subsidiary operates under the direction of its own local decision makers, focused on the needs of the unique communities served.

***Because principals of Ensemble have an interest in Tompkins, fees earned by Tompkins will benefit such principals and thus create a conflict of interest. Clients of Ensemble, however, are under no obligation to utilize these services and may choose to use another provider and still retain Ensemble to provide its advisory services.***

#### 8.4 AM&M Financial Services, Inc.

Revision date 03/31/2011

Ensemble's principal executive officers and other employees may also be officers and/or employees of AM&M Financial Services, Inc. ("AM&M"), a Control Company for AM&M Planners Inc. d/b/a Tompkins Financial Advisors, Ensemble Financial Services, Inc. and Ensemble Risk Solutions.

***Referrals to other AM&M affiliates will indirectly benefit Ensemble. You are under no obligation to use any AM&M affiliate, service or product.***

## 9. CODE OF ETHICS, CLIENT TRANSACTIONS AND PERSONAL TRADING

### 9.1 Code of Ethics

Revision date 03/31/2011

Ensemble Financial Services, Inc. has adopted a Code of Ethics designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act").

The Code is designed to ensure that the high ethical standards long maintained by Ensemble continue to be applied. The Code addresses activities that may lead to or give the appearance of conflicts of interest, insider trading and other forms of prohibited or unethical business conduct.

- The best interests of our clients are foremost.
- Every aspect of our business will be conducted in a fair, lawful and ethical manner.
- Adherence to all regulatory requirements is required.
- All our personnel are trained annually so as to perform at the highest ethical, legal and professional levels.
- Our customers will be offered only those pre-approved products/services, which have been determined to be appropriate for their specific needs and which provide fair value.
- It is our obligation to respect and protect the right to privacy of all our clients.
- Confidential or proprietary information, obtained in the course of doing business is not to be used for personal gain or to be shared with others for personal benefit.
- All efforts are made to mitigate actual or apparent conflicts of interest.
- Such a conflict may exist even when no actual wrongdoing occurs; the opportunity to act improperly may be sufficient to give the appearance of a conflict.
- Fraudulent, deceptive or manipulative conduct is prohibited.
- Anyone not adhering to this Code of Ethics, as well as all other policies and directives issued by Ensemble will be subject to sanctions and possible termination
- All associated persons are aware of the seriousness with which all compliance efforts should be undertaken.



- Personnel are required to report any breach of the Code of Ethics to their supervisor or the Chief Compliance Officer.
- Our leadership consistently makes compliance a natural and regular part of all activities.
- Senior management leads by example, creating an environment encouraging honesty and fair play by all employees in the conduct of his or her duties.
- Senior management is committed to working with Compliance and all staff to ensure the existence and awareness of a strong and committed compliance culture.
- Only highly qualified, well-trained personnel are given review and/or supervisory responsibilities.
- Internal controls have been implemented to ensure that all reasonable efforts are taken to deter and detect any activities which do not meet the highest standards of ethical behavior.
- All compliance and supervisory efforts, and all appropriate follow-up activities, are documented and appropriately maintained.
- Immediate attention is given to any area in which our efforts are found to be “deficient” in any manner.
- We have in place sufficient personnel to implement as rapidly as possible, any actions determined to be necessary at any given time.
- Independent advisors and staff members are urged to seek the advice of their supervisor, and/or the Chief Compliance Officer, for any questions about the Code or the application of the Code to their individual circumstances.
- The provisions of the Code are not all-inclusive; they are a guide for advisors and employees in their conduct.
- The Chief Compliance Officer may grant exceptions to certain provisions contained in the Code only in those situations when it is clear beyond dispute that the interests of our clients will not be adversely affected or compromised.
- All questions arising in connection with personal securities trading will be resolved in favor of the client even at the expense of the interests of the advisor.
- The Chief Compliance Officer periodically reports to the AM&M Financial Services, Inc. Board of Directors regarding compliance with this Code.

***Copies of this code of ethics are always available upon request.***

## **9.2 Participation in Client Transactions**

Revision date 03/31/2011

Individuals or companies related to Ensemble may purchase or sell securities in which they have a financial interest such as Tompkins Financial Corporation stock.

***Ensemble does not recommend such investments for your portfolio. However you may purchase such an investment if you are interested in it and it is appropriate for your portfolio.***

Ensemble requires that all individuals act in accordance with all applicable federal and state regulations governing Registered Investment Advisory practices.

Access to trading information and abilities is restricted to certain employees and trading activity is monitored.

Any individual not in observance of the above may be subject to termination.

<b>9.3 Personal Trading</b>
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Revision date 03/31/2011
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Ensemble, its staff or independent advisors may buy or sell securities identical to those recommended to you for their personal account.

***No one registered or employed by EFS may place an order to purchase or sell any security before an order placed for your account.***

Ensemble or any related persons may have an interest or position in certain securities that may also be recommended to you. As these situations may represent a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

- A director, officer, employee or independent advisor of Ensemble shall not buy or sell securities for his/her personal portfolio where the decision is substantially derived, in whole or in part, by information obtained as part of his or her employment unless the information is also available to the investing public on reasonable inquiry.
- No director, officer, employee or independent advisor of Ensemble shall prefer his or her own interest to that of the advisory clients.
- Ensemble maintains a list of all securities holdings for itself, and anyone associated with Ensemble. These holdings are reviewed on a regular basis.

Ensemble requires that all individuals must act in accordance with all applicable federal and state regulations governing Registered Investment Advisory practices.

Access to trading information and abilities is restricted to certain employees and trading activity is monitored.

Any individual not in observance of the above may be subject to termination.

## **10. BROKERAGE PRACTICES**

<b>10.1 Soft Dollar Practices</b>
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Revision date 03/31/2011
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Ensemble does not receive research or other portfolio services in return for placing transactions with broker dealers.

<b>10.2 Client Referrals</b>
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Revision date 03/31/2011
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Ensemble does not receive client referrals from non affiliated brokers and does not direct transactions to such brokers.

<b>10.3 Directed Brokerage</b>
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Revision date 03/31/2011
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For accounts for which Ensemble has discretion, accounts and transactions are held at national Financial Services, Inc. (NFS). Ensemble conducts a regular review of the transactions and services provided NFS by to ensure that we are achieving best execution.

The factors considered by Ensemble when making this recommendation:

- the brokers ability to provide professional services
- our experience with them, their reputation
- the quality of execution services
- costs of such services

<b><i>You are not under any obligation to affect trades through any recommended broker.</i></b>
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If Ensemble lacks the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, you must direct us as to the broker dealer to be used.

<b><i>In directing the use of a particular broker or dealer, we will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between your commissions and the commissions charged to other clients.</i></b>
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You may request that brokerage transactions be directed to a particular broker or dealer. However, if Ensemble believes that the use of that broker dealer would hinder us in meeting our fiduciary obligations we will not be able to accept the account.

## 10.4 Aggregation

Revision date 03/31/2011

Ensemble does not aggregate trades across advisors.

Some independent advisors, but not all, will aggregate trades for their clients. The decision to aggregate trades generally depends on the size of the transaction and many of our advisors make trades in amounts that do not qualify for aggregation or discounts.

Trades that are aggregated are allocated on a percentage basis as provided by your advisor

***Trades are generally placed individually and you will pay the prevailing individual transaction charges.***

## 11. ACCOUNT REVIEWS AND REPORTS

### 11.1 Advisory Accounts

Revision date 03/31/2011

#### **Reviews**

Your account is reviewed quarterly by your advisor. Your portfolio structure and asset allocations are examined to insure that they are consistent with your objectives, time horizon, and risk tolerance.

Various facts may occur which can necessitate review of your account. These include, but are not limited to:

- significant changes in stock market prices
- bond market prices
- other capital market movements
- significant changes in the economy
- interest rates fluctuations
- Gross National Product growth
- international currency movement

The overall portfolio structure and asset allocation policies are reviewed and the performance of the portfolio is compared to benchmarks developed for you.

#### **Reports:**

In addition to the monthly statements and confirmations of transactions that you receive from your custodian, Ensemble and your advisor may provide additional aggregate account reports.

***These reports are not reconciled and are provided for convenience only. You should always rely on the custodian's statements and confirmation.***

Not all advisors offer access to the aggregate account reports

<b>11.2 Third Party Managed Asset Fee Programs</b>
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Revision date 03/31/2011
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**Reviews:**

The program manager of MAPs will conduct reviews for your investments held in their accounts. Ensemble and your advisor will review the program on an annual basis for continued suitability in relation to your overall investment objective.

**Reports:**

The program manager of separately managed accounts will provide all required reports.

<b>11.3 Wrap Account Programs</b>
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Revision date 03/31/2011
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**Reviews:**

The program manager of WRAPs will conduct reviews for your investments held in their accounts. Ensemble and your advisor will review the program on an annual basis for continued suitability in relation to your overall investment objective.

**Reports:**

The program manager of separately managed accounts will provide all required reports.

<b>11.4 Financial Planning</b>
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Revision date 03/31/2011
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**Reviews:**

If you have a comprehensive, retainer contract, or other agreement, the plan is reviewed as specified in the contract.

**Reports:**

You will receive a completed financial plan. You may or may not receive a report depending upon the nature of the services provided. Additional reports will not typically be provided unless otherwise contracted for.

<b>11.5 Insurance Review and Analysis</b>
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Revision date 03/31/2011
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**Reports:**

You will receive a written report providing an analysis of current insurance coverage, comparisons of other products, and a review of the appropriateness of any replacements.

<b>11. Consulting Services</b>
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Revision date 03/31/2011
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**Reports:**

You may or may not receive a report depending upon the nature of the services provided and what you contracted for.

## **12. CLIENT REFERRALS**

Ensemble may from time to time compensate, either directly or indirectly, any person (defined as a natural person or a company) for client referrals (a “solicitor”). Ensemble is aware of the special considerations promulgated under Section 206(4)-3 of the Investment Advisers Act of 1940 and similar state regulations regarding such arrangements.

Such arrangements are defined in a contract and appropriate disclosure is made to you if your advisor refers you to the Ensemble platform.

***The solicitor will receive a percentage of the annual fees collected from you. The referral fee is paid from the fees listed in your advisory agreement with Ensemble and does not represent an extra charge to you.***

## **13. CUSTODY**

<b>13.1 National Financial Services</b>
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Revision date 03/31/2011
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Ensemble uses National Financial Services, Inc, (NFS) as a qualified custodian. A business unit of Fidelity Investments, one of the world's largest providers of financial services, NFS offers a powerful set of capabilities for registered investment advisors.

For more information you can contact your advisor or go to [www.nationalfinancial.com](http://www.nationalfinancial.com).

You will receive account statements directly from NFS.

***You should carefully review the account statements for accuracy and notify us with any questions.***

In addition, if you receive our aggregate account reports, you should to compare them to your NFS statements. Comparing statements will allow you to determine whether account transactions, including deductions to pay advisory fees, are proper.

<b>13.2 Ensemble Financial Services, Inc.</b>
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Revision date 03/31/2011
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Ensemble is not a qualified custodian, In your advisory agreement you give Ensemble the authority to deduct fees from your account.

## **14. INVESTMENT DISCRETION**

As the discretionary adviser of your money management assets, your advisor has the authority to specify securities to be bought and sold, the total amount of securities to be bought or sold, the brokers or dealers through whom securities are to be bought and sold, and the commission rates at which securities are to be effected.

If you place restriction on the authority given to Ensemble and your advisor this will be described in the advisory agreement or in the investment policy statement.

## **15. VOTING CLIENT SECURITIES**

Ensemble does not accept the authority to and does not vote proxies on your behalf. You retain the responsibility for receiving and voting proxies for any and all securities maintained in your portfolios. Our independent advisors may however provide advice regarding the voting of proxies if you request it.

You should have all proxy materials sent to you. If Ensemble should receive proxy material for your accounts we will forward it to you.

## **16. FINANCIAL INFORMATION**

Ensemble does not have custody of client assets and does not require prepayment of fees. Ensemble assets, liabilities, and other financial information are consolidated into the financial information provided by Tompkins Financial Corporation, a publicly traded company. These reports can be found at [http://www.tompkinstrustco.com/ttc3\\_annual.html](http://www.tompkinstrustco.com/ttc3_annual.html) or are available upon request.