



Part 2A of Form ADV: *Firm Brochure*

TFS Advisory Services

437 Newman Springs Rd
Lincroft, NJ 07738

Telephone: 732-758-9300 Extension 145
Email: tphyland@tfsweb.com
Web Address: www.tfsweb.com

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This brochure provides information about the qualifications and business practices of TFS Advisory Services. If you have any questions about the contents of this brochure, please contact us at 732-758-9300 Extension 145 or tphyland@tfsweb.com. 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 TFS Advisory Services also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 20626.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July, 2010. This Firm Brochure, dated 5/1/2013, is our new disclosure document and contains updates not included in the most recently updated disclosure document dated 07/31/2011 and 1/15/2013. This Firm Brochure has been prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative which is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of the revision(s) based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary.

Summary of Changes

- Changes to Primary business name to TFS Advisory Services (formerly known as Innovative Market Trends).
- Closing and/or merger of certain proprietary investment portfolios, (Dynamic Asset Allocation)
- Other revisions to language deemed not material
- Changes to our Default Fee Schedule resulting in across-the-board reduction in fees and changes to our fee calculation methodology for our proprietary Buy/Hold Plus Portfolios.
- The introduction of our 401k Plus Retirement Savings Plan Management Program which provides continuous advice to individuals regarding the investment options available to them through their employer sponsored retirement savings plans (i.e. 401k, 403b, or 457 Plans).
- The introduction of our Annuity Plus Variable Annuity Management Program which provides continuous advice to individuals regarding the investment options available to them through their variable annuity contracts, including access to discretionary model portfolios.

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Item 4 **Advisory Business**

TFS Advisory Services is a SEC-registered investment adviser with its principal place of business located in Lincroft, New Jersey. TFS has been conducting advisory business since 1997, through TFS Advisory Services, a division of TFS Securities, Inc., a wholly owned subsidiary of Tomorrow's Financial Services, Inc. TFS Advisory Services has been formerly known as Innovative Market Trends and TFS Portfolio Advisory Services.

Tomorrow's Financial Services, Inc. is owned by Thomas P. Hyland and Joanne Przybylko as equal shareholders.

We provide a wide array of advisory services to our clients in which both proprietary and non-proprietary investment options are made available. We may manage these advisory accounts on a discretionary and/or non-discretionary basis.

We offer these services to individuals, pension and profit sharing plans, trusts, estates and/or charitable organizations and also corporations and/or other business entities.

Of the funds managed by and/or through the services provided by TFS Advisory Services, the majority are considered "Investment Supervisory Services" meaning we provide continuing advice as to the investment of funds on the basis of the individual needs of each client. These services will generally include the following types of asset management services:

Individual Portfolio Management - we provide asset management services of client funds based on the individual needs of the client. The Investment Advisor Representative initially determines the client's financial objectives, time horizons, restrictions, etc; develops the client's personal investment plan; then creates and manages a customized portfolio based on that plan.

Model Portfolio Management - we provide portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal. The Investment Advisor Representative initially determines the client's financial objectives, time horizons, restrictions, etc; and determines if the model portfolio is suitable for the client. Once a suitable model is determined, the portfolio is managed based on the portfolio's goals, rather than on each client's individual needs.

Third Party Money Managers - TFS Advisory Services does not directly manage these client assets. Each Investment Advisor Representative may in effect, outsource the management of client funds to an outside money manager who may utilize an investment strategy, which after discussions with the client, may be deemed the closest in line with the client's investment goals and objectives.

Financial Planning - financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. These services are considered restricted as the recommendations provided in conjunction with the plans are limited to those products and

services offered through a broker/dealer or insurance company.

We also provide on a limited basis advisory services that differentiates the level of services being provided to the client, reflecting that our management of client portfolios is not continuous and therefore is not "Investment Supervisory Services." These services typically are consultative in nature and are defined by the terms of the underlying contracts as such.

Consultative advisory services typically have certain terms associated with the compensation for such services. These associated terms may generally include the following:

- Hourly Fees
- Flat - Fee for Service
- Retainer Fees

Outside of the specific mention in the contract, these types of compensation tend to indicate that the advisory services provided are temporary in nature or based upon time spent with the client and not indicative of continuous and regular supervisory or management services. TFS Advisory Services offers these types of services but they represent a very small part of our advisory business.

The following provides in more detail, the full depth & breadth of the advisory services TFS Advisory Services offers to our clients:

INVESTMENT SUPERVISORY SERVICES ("ISS") INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary and/or non-discretionary basis and offer both proprietary and non-proprietary alternatives to the client. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Proprietarily we offer TFS Perspectives, a fee-based investment advisory account with no commissions or transaction fees to the client. The client, or the investment advisor representative, depending on the agreement signed, may conduct transactions in a wide variety of securities and periodically adjust portfolio holdings as circumstances dictate - for a single asset-based fee.

Clients from time to time may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors. The firm may not be able to accommodate

all requests.

Our investment recommendations are limited to specific products or services offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Variable life insurance
- Variable annuities
- Mutual fund shares
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- US Government securities
- Interests in partnerships investing in real estate
- ETFs
- Other

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

INVESTMENT SUPERVISORY SERVICES ("ISS") PROPRIETARY MODEL PORTFOLIO MANAGEMENT

Our firm provides portfolio management services to clients using model asset allocation portfolios. Our clients have access to these models through our Buy/Hold Plus Program. This program provides a Level I and Level II tier, which contain multiple portfolio models within them. Each model portfolio is comprised of mutual funds and/or ETFs and is designed to meet a particular investment goal.

Investments in our Buy/Hold Plus program are based on one of eight traditional asset allocation models, blending the principles of Modern Portfolio Theory with our proprietary manager selection process to determine one or more of the best performing fund within each asset class. Managers are screened quarterly and portfolios are conditionally re-balanced according to predetermined allocations. The eight models and their respective allocations are depicted below:

Level I:

Conservative I - 33% stock funds, 63% bond funds, 4% cash

Moderate I - 64% stock funds, 32% bond funds, 4% cash

Aggressive I - 79% stock funds, 17% bond funds, 4% cash

Level II:

Conservative - 20% stock funds, 76% bond funds, 4% cash

Moderately Conservative - 45% stock funds, 51% bond funds, 4% cash

Moderate - 65% stock funds, 31% bond funds, 4% cash

Moderately Aggressive - 75% stock funds, 21% bond funds, 4% cash

Aggressive - 86% stock funds, 10% bond funds, 4% cash

We manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client and the use of an investment policy statement questionnaire in which the client's goals and objectives are established, we determine if the model portfolio is suitable to the client's circumstances. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients do not have the opportunity to place reasonable restrictions on these types of investments held in their account. Clients retain individual ownership of all securities.

Our investment recommendations are limited to the specific products or services offered by a broker dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Mutual Funds
- ETFs
- Variable Annuities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. periodically contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives;
2. be reasonably available to consult with the client
3. encourage clients to contact us immediately should there be a change of their financial situation; and
4. maintain client suitability information in each client's file.

In addition, each introducing investment advisor representative remains in close contact with their respective clients to update various financial information and determine continued suitability.

INVESTMENT SUPERVISORY SERVICES ("ISS") NON PROPRIETARY MODEL PORTFOLIO MANAGEMENT

Our individual advisory representatives may provide portfolio management services to clients using model asset allocation portfolios. These models may be managed to a specific portfolio goal.

The individual advisory representatives manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client in which the client's goals and objectives are established, the individual advisor representative determines if the model portfolio is suitable to the client's circumstances. Once they determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs. Clients, nevertheless, typically have the opportunity to place reasonable restrictions on the types of investments to be held in their account. Clients retain individual ownership of all securities.

These investment recommendations are limited to the specific product or service offered by a broker dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities

- Securities traded over-the-counter
- Mutual fund shares
- ETFs
- Variable Annuities
- Options

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

In some cases investment advisory representatives may incorporate alternative strategies designed to limit risk but also capture upside potential in both up and down markets. There is no assurance that these strategies will be successful or that any attempted performance goals will be achieved.

These strategies may include the use of exchange traded funds that offer leverage or that are designed to perform Inversely to the index or benchmark they track-or both. Our investment advisory representatives are sure to ascertain a client's suitability prior to the use of such instruments or trading strategies, based on a full understanding of the terms and features of the product or strategy recommended.

Typically such products are utilized in sophisticated trading strategies and are highly complex in nature and are disclosed to the clients of TFS Advisory Services as such. In addition, due to the effects of compounding, their performance over longer periods of time can differ significantly from their stated daily objective. Therefore, inverse and/or leveraged ETFs that are reset daily may not be suitable for retail investors who plan to hold them for longer than one trading session.

To ensure that initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. periodically send written reminders to each Model Portfolio Management Services client requesting any updated information regarding changes in the client's financial situation and investment objectives;
2. periodically contact each participating client to determine whether there have been any changes in the client's financial situation or investment objectives, and whether the client wishes to impose investment restrictions or modify existing restrictions;
3. be reasonably available to consult with the client
4. encourage clients to contact us immediately should there be a change of their financial situation; and

5. maintain client suitability information in each client's file.

PENSION CONSULTING SERVICES

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401k plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of an array of services. Clients may choose to use any or all of these services.

TFS Advisory Services provides services to assist plan sponsors, plan trustees and investment committees to meet their ERISA fiduciary responsibilities. TFS Advisory Services provides these services under ERISA 3(21) AND ERISA 3(38). Under these sections, clients can engage TFS Advisory Services to provide investment advisory services. By doing so, TFS Advisory Services shares fiduciary responsibility with plan trustees and investment committees as it relates to the assets TFS Advisory Services is under agreement to provide investment management or advisory services. As part of a clients fiduciary team, TFS Advisory Services provides the investment expertise to implement the plans investment policies and objectives.

TFS Advisory Services acting as an advisor under ERISA 3(21)

For the purpose of ERISA 3(21), TFS Advisory Services does not exercise any discretionary authority or control respecting management of the plan or management or disposition of its assets or have any discretionary authority or discretionary responsibility in the administration of the plan. Therefore, TFS Advisory Services is not a "fiduciary", pursuant to ERISA except to the extent it renders "investment advice" to the plan within the meaning of section 3(21) of ERISA and Department of Labor regulations there under. The participants are responsible for any individual investment selections made under the plan.

Under ERISA 3(21), TFS Advisory Services acts as the advisor making investment recommendations, but it is ultimately up to the plan sponsor to decide whether and how to implement these recommendations.

Furthermore, under ERISA 3(21), the participants are responsible for any individual investment selections made under the plan.

TFS Advisory Services acting as an advisor under ERISA 3(38)

For the purpose of ERISA 3(38), TFS Advisory services serves as the investment manager, who exercises discretionary authority with regard to the model portfolios it develops and with regard to the mutual funds and other investment vehicles that it selects for investment under the Plan.

Under ERISA 3(38), TFS Advisory Services acts as the advisor with discretionary authority with regard to the investments managed for the plan, allowing the plan sponsor to transfer liability for selecting, monitoring, and replacing the investment options to TFS Advisory Services, the investment manager.

PENSION SERVICES CONSULTING

TFS Advisory Services provides services to assist plan sponsors, plan trustees, investment committees and financial advisors to meet ERISA fiduciary responsibilities under 404(c). These consulting services range from the development of Investment Policy Statements to the delivery Participant Communication services.

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

TFS Advisory Services will develop a Statement of Investment Policy for your retirement plan that provides the guidelines for selecting and evaluating investments offered in your plan. TFS Advisory Services will work with the organization to create an Investment Policy Statement consistent with ERISA. The Policy will document the plan's objectives and set into writing the plan's investment policies regarding investment selection, monitoring, benchmarking, and de-selection.

Manager Selection:

TFS Advisory Services investment manager research and selection process is a fully integrated process designed to select asset managers for each asset class and style to be represented within the plan. Our quantitative screening ensures that each manager meets standards for style consistency, risk adjusted performance, consistency of performance and low expenses. Our team further assess the philosophy behind the numbers, the process by which it is implemented and most importantly - the people who manage the portfolios.

Monitoring of Investment Performance:

TFS Advisory Services will establish and manage a process to select, de-select, and monitor investments offered to plan participants. TFS Advisory Services will evaluate the plan's current offering by benchmarking the investment return, risk, and expenses to its peers and relative indices, by providing an assessment of asset class overlap or gaps, and by evaluating overall investment offering to the plan's current investment policy statement.

Trustee & Investment Committee Meetings:

TFS Advisory Services meets regularly with the Plan Trustees & Investment Committees to document the performance of the plan's investments and to make any recommendations that may be appropriate for changes. These meetings are documented and become part of the plan's due diligence file.

Employee Communications:

TFS Advisory Services will provide group meetings and individual participant meetings to help participants achieve better financial results. The schedule, timing and number of meetings shall be determined prior to contract acceptance.

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide occasional educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the

guidelines established in ERISA Section 404(c).

401k PLUS RETIREMENT SAVINGS PLAN MANAGEMENT

We also offer clients of TFS Advisory Services a proprietary 401k plan solution that allows us to manage the assets within a participant's employer sponsored 401k, pension, profit sharing plan, or 457 Plan. In doing so we can apply similar asset allocation strategies used in other proprietary programs at TFS Advisory Services, but we apply these strategies to the client's existing asset holdings within their employer sponsored plan.

Investment decisions for individual accounts are based upon the Investor Profile information collected and qualified by our Investment Advisor Representatives. Client portfolios are comprised of mutual fund shares and, in certain circumstances, individual securities may be held (generally company stock in the form of a unitized fund). Based on changes in a client's Investor Profile information, the market and/or the economy, the 401k Plus Retirement Savings Plan Management Program provider (Retirement Management Systems Inc.) may make allocation changes to the client's savings plan account on the client's behalf.

Execution, Custody and Related Services

Custody and execution services for 401k Plus Retirement Savings Plan Management are provided by the custodian and/or third party administrator selected by the company sponsored defined contribution plan. There is no relationship between TFS Advisory Services and the provider of such services.

Third Party Service Providers

Retirement Management Systems, Inc. ("RMS") is the third party service provider (program provider) upon whom we rely to service 401k Plus Retirement Savings Plan Management Client accounts. RMS provides various administrative, technology and advisory support services. Clients grant RMS discretion over Client accounts in order to fulfill the Savings Plan Management program obligations. Please review the RMS Form ADV Part 2A and Privacy Policy for more information regarding their handling of client accounts for the 401k Plus Retirement Savings Plan Management Program.

Participation in this program does not allow for linking of accounts with other TFS Advisory Services accounts in order to achieve fee discounts or breakpoints.

Limited Negotiability of Advisory Fees: Although TFS Advisory Services has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Alternate fee schedules may be utilized based on client facts, circumstances and needs, and will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

Discounts, not generally available to our advisory clients, may be offered to family members

and friends of associated persons of our firm.

THIRD PARTY MANAGER PROGRAMS

We also offer advisory management services to our clients through Third Party Manager Programs (hereinafter, "Programs").

Our firm may provide the client with an asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established. This asset allocation strategy is drafted into the client's Personal Investment Policy Statement ("PIPS").

Based on the client's individual circumstances and needs (as exhibited in the client's PIPS) we will then perform management searches of various unaffiliated registered investment advisers/ third party managers to identify which registered investment adviser's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected registered investment adviser. Clients should refer to the selected registered investment adviser's Firm Brochure or other disclosure document for a full description of the services offered. We are available to meet with clients on a regular basis, or as determined by the client, to review the account.

Once we determine the most suitable investment adviser(s) for the client, we may re-affirm the client's investment profile by completing the selected managers PIPS (if applicable). The third party adviser(s) then creates and manages the client's portfolio based on the client's individual needs as exhibited in the PIPS.

We monitor the performance of the selected registered investment adviser(s). If we determine that a particular selected registered investment adviser(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's PIPS, we may suggest that the client contract with a different registered investment adviser and/or program sponsor. Under this scenario, our firm assists the client in selecting a new registered investment adviser and/or program. However, any move to a new registered investment adviser and/or program is solely at the discretion of the client.

FINANCIAL PLANNING AND CONSULTING

TFS Advisory Services offers various types and levels of financial planning and consulting services. The level and type of services will vary among the Advisory Representatives and will depend on the needs of the client. Services may include, but not be limited to, the following examples of services.

- Retirement Planning
- General, Segmented and Comprehensive Financial Planning
- Educational Planning
- Cash Flow Analysis
- Estate Planning

- Budget Planning
- Tax Planning
- Insurance Needs Analysis
- Business Continuity, Succession and Exit Planning
- Asset Allocation Services
- Executive Planning
- Corporate Benefit Consulting

Other planning and consulting services as requested by the client and agreed to by the Advisory Representative

TFS Advisory Services will gather financial information and history from clients, which may include, among other things, retirement and financial goals, investment objectives, investment horizon, financial needs, cash flow analysis, cost of living needs, education needs, savings tendencies, and other applicable financial information required by TFS Advisory Services in order to provide the investment advisory services requested. As stated above, the level and type of services will depend on the needs of the client. Depending on the services requested, clients may receive a written analysis, summary or plan. One or more meetings may be necessary with the client and may involve other professionals, as invited and agreed to by the client, such as attorneys and/or certified public accountants. Planning and consultative services are based on the client's financial situation at the time and on financial information disclosed by the client to SPA. Clients are advised that plans may contain certain assumptions that may be made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. TFS Advisory Services cannot offer any guarantees or promises that clients' financial goals and objectives will be met. Further, clients must continue to review any plan or analysis and update the plan based upon changes in the client's financial situation, goals, or objectives or changes in the economy. Should a clients' financial situation or investment goals or objectives change, clients must notify TFS Advisory Services promptly of the changes. Clients are advised that fees for planning and/or consultative services are strictly for the planning services. Therefore, clients may pay fees and/or commissions for additional services obtained, such as asset management or products purchased, such as securities or insurance.

Financial plans will generally be prepared by the Investment Advisory Representatives (IAR), utilizing well-known industry standard financial planning software programs including but not limited to EISI / NaviPlan, Money Tree, SunGuard and eMoney Advisor etc.

Our investment recommendations in conjunction with financial plans are limited to the specific products or services offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)

- Certificates of deposit
- Municipal securities
- US Government securities
- Interests in partnerships investing in real estate
- Variable life insurance
- Variable annuities
- Mutual fund shares
- ETFs
- Other

The financial plan is presented to the client as expeditiously as possible in relation to the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

CONSULTING SERVICES

Clients can also receive investment advice on a more focused basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, and any other specific topic. In addition we provide specific consultation and administrative services regarding investment and financial concerns of the client.

We also provide general non-securities advice on topics that may include tax and budgetary planning, divorce planning and business planning, including but not limited to mergers and acquisition business. We may advise on the facilitation of mergers and acquisitions, tender offers, financial restructurings, asset sales, divestitures and/or other corporate reorganizations or business combination transactions.

LIMITATIONS: Individuals of TFS Advisory Services are registered as representatives of a broker-dealer and/or as insurance agents/brokers of various insurance companies, consulting recommendations are limited to only those products offered through these companies.

AMOUNT OF MANAGED ASSETS

As of 12/31/2012, we were actively managing \$106,000,000 of clients' assets on a discretionary basis plus \$ 100,000,000 of clients' assets on a non-discretionary basis.

We also oversee \$ 203,000,000 of clients' assets being managed by third-party money managers.

Item 5 Fees and Compensation

INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT FEES

Our annual fees for Investment Supervisory Services are based upon a percentage of assets under management and generally range from **0.3%** to **3.00%**.

The annualized fee for Investment Supervisory Services will be charged as a percentage of assets under management based on the corresponding program selected by the client, according to the following schedules: Fees shall be prorated and paid quarterly, in advance, based upon the total market value of the assets on the last day of the previous calendar quarter. Initial inception billing will include fees for the remainder of the current calendar quarter, calculated in advance, on a prorated basis from the day the initial deposit was added to the account.

TFS Perspectives Non-Discretionary Fee Schedule (SILVER)

Assets Under Management	Annual Fee	Consultant Fee	Program Fee
\$10,000 - \$25,000	2.50%	2.00%	0.50%
\$25,001 - \$50,000	2.25%	1.85%	0.40%
\$50,001 - \$100,000	2.00%	1.70%	0.30%
\$100,001 - \$250,000	1.75%	1.50%	0.25%
\$250,001 - \$500,000	1.50%	1.30%	0.20%
\$500,001 - \$750,000	1.25%	1.10%	0.15%
\$750,001 - \$1,000,000	1.10%	.98%	0.12%
\$1,000,001 - above	1.00%	.90%	0.10%

***Minimum Individual Account \$10,000 Minimum Combined Household \$25,000**

TFS Perspectives Discretionary Fee Schedule (GOLD)

Assets Under Management	Annual Fee	Consultant Fee	Program Fee
\$50,000 - \$100,000	2.50%	2.05%	0.45%
\$100,001 - \$250,000	2.25%	1.85%	0.40%

\$250,001 - \$500,000	2.00%	1.65%	0.35%
\$500,001 - \$750,000	1.75%	1.45%	0.30%
\$750,001 - \$1,000,000	1.60%	1.35%	0.25%
\$1,000,001 - \$2,500,000	1.50%	1.30%	0.20%
\$2,500,001 - \$5,000,000	1.25%	1.10%	0.15%
\$5,000,001 - \$7,500,000	1.10%	.95%	0.15%
\$7,500,001 - \$10,000,000	1.00%	.85%	0.15%
\$10,000,001 and above	.95%	.80%	0.15%

A minimum of **\$50,000** of assets under management is required to participate in the TFS Perspectives, Discretionary Asset Management Program (GOLD). This account size may be negotiable under certain circumstances. TFS Advisory Services may group certain related client accounts for the purposes of achieving the minimum household size and determining the annualized fee.

Limited Negotiability of Advisory Fees: Although TFS Advisory Services has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Alternate fee schedules may be utilized based on client facts, circumstances and needs, and will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

INVESTMENT SUPERVISORY SERVICES PROPRIETARY MODEL PORTFOLIO MANAGEMENT FEES

Our annual fees for Model Portfolio Management Services are based upon a percentage of assets under management and generally range from **0.2%** to **2.40%**.

The annualized fee for Investment Supervisory Services will be charged as a percentage of assets under management based on the corresponding program selected by the client, according to the following schedules: Fees shall be prorated and paid quarterly, in advance, based upon the total market value of the assets on the last day of the previous calendar

quarter. Initial inception billing will include fees for the remainder of the current calendar quarter, calculated in advance, on a prorated basis from the day the initial deposit was added to the account.

Our Investment Advisory Fee Schedule, as outlined below, is a tiered or layered fee schedule, which applies distinct fee rates to different portions of the portfolio. For the first break point, multiply the first range amount, in this case \$50,000, by the applicable rate for that range; Next multiply the second range amount, in this case \$50,000, by its applicable, lower rate, then multiply the third range amount, in this case \$150,000, by its applicable lower rate on the schedule, and so on until the calculation is complete. All accounts within the same family (husband, wife and minor children) are linked and treated as one household for purposes of fee calculations. Corporate accounts are considered separately and, thus, would not be included in the household for the purpose of reducing fees. The discounted fees are calculated based upon the cumulative account values at the end of the prior calendar quarter. Any advanced fees due to the account owner will be prorated and refunded in the event of a liquidation or transfer.

Buy/Hold Plus and Annuity Plus Fee Schedule

Assets Under Management	Annual Fee	Consultant Fee	Program Fee
\$0 - \$50,000	2.40%	1.70%	0.70%
\$50,001 - \$100,000	2.00%	1.40%	0.60%
\$100,001- \$250,000	1.85%	1.35%	0.50%
\$250,001 - \$500,000	1.75%	1.30%	0.45%
\$500,001 - \$750,000	1.50%	1.10%	0.40%
\$750,001 - \$1,000,000	1.45%	1.10%	0.35%
\$1,000,001 - \$2,500,000	1.30%	1.00%	0.30%
\$2,500,001- \$5,000,000	1.25%	1.00%	0.25%
\$5,000,001 - \$10,000,000	1.20%	1.00%	0.20%

-Minimum Account Size \$25,000

-Minimum Household Size \$50,000

A minimum of **\$50,000** of assets under management is required for this service. This household size may be negotiable under certain circumstances. TFS Advisory Services may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Limited Negotiability of Advisory Fees: Although TFS Advisory Services has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Alternate fee schedules may be utilized based on client facts, circumstances and needs, and will be considered in determining the fee schedule. These

include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

401k PLUS RETIREMENT SAVINGS PLAN MANAGEMENT

The fee schedule for 401k Plus Retirement Savings Plan Management will range from \$350 to \$1,900 per 12-month period per account (discounts may apply). The fees are negotiable. The account management fee is payable upon acceptance of the 401k Plus Agreement, and due on a monthly, quarterly, semi-annual or annual basis, as selected by client. The 401k Plus Agreement is automatically renewable every twelve months and shall remain in effect until such time as either party to the Agreement receives written notice from the other party of its desire to cancel the agreement. The ending or termination of the Agreement does not affect Investor's obligation to pay the annual fee. Client may terminate this advisory service without penalty within five (5) business days of signing an advisory agreement with the program provider. As part of the subscription process clients will be given the choice to authorize the deduction of fees from their bank, brokerage, managed account or credit card account.

Base Fees-401k Plus Retirement Savings Plan Management

ACCOUNT SIZE	RMS MANAGEMENT	401(K) PLUS PROGRAM FEE	FINANCIAL CONSULTANT*	TOTAL CLIENT FEE
\$0 to \$250,000	\$240	\$260	\$500	\$1,000
\$250,000 to \$500,000	\$360	\$390	\$750	\$1,500
\$500,000 and above	\$480	\$420	\$1000	\$1,900

Discounted Fees for Buy/Hold Plus Account Holders**

ACCOUNT SIZE	RMS MANAGEMENT	401(K) PLUS PROGRAM FEE	FINANCIAL CONSULTANT*	TOTAL CLIENT FEE
\$0 to \$250,000	\$240	\$110	\$500	\$ 850
\$250,000 to \$500,000	\$360	\$140	\$750	\$1,250
\$500,000 and above	\$480	\$170	\$1000	\$1,650

** Financial consultant fees may be lower, but not higher.*

*** In order to qualify for the discounted 401k Plus Fees, the client must have a Buy/Hold Plus household value greater than \$100,000.*

Negotiable fee discounts

Under certain circumstances, TFS Advisory Services may chose to negotiate lower fees for the client at its sole discretion. As and affinity benefit to its existing clients, TFS Advisory Services will extend a discount on its program fee for all clients households with managed assets greater than \$100,000 in its Buy/Hold Plus Program. Other than this exception, the RMS Management fee and the 401k Plus Program fee ARE NOT NEGOTIABLE. The Financial Consultant fee may be decreased or discounted, but under no circumstance be increased, other than in a manner outlined this agreement or fee schedule.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

FINANCIAL PLANNING FEES

TFS Advisory Services Financial Planning fee will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

The types of Financial Planning fees we typically charge are:

1. A pre-determined one time fee
2. A pre-determined annual fee
3. A pre-determined hourly rate
4. A percentage of assets under management

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed \$1200 for work that will not be completed within six months. The balance is due upon completion of the plan.

Fees Offset By Commissions: If a Financial Planning client executes recommended securities transactions through associated persons of our firm in their separate capacities as registered representatives of a broker dealer, these individuals will earn commissions which are separate and distinct from fees charged for advisory services. In some instances, depending on the size of the transaction, advisory fees will be discounted, at our discretion, for commissions earned. Commissions will not be credited towards future advisory fees.

CONSULTING SERVICES FEES

TFS Advisory Services Consulting Services fee will be determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client. In the case of hourly fees, an estimate of total hours will be given at the start of the advisory relationship.

The types of Consulting Services fees we typically charge are:

1. A pre-determined one time fee
2. A pre-determined annual fee
3. A pre-determined hourly rate
4. A percentage of assets under management

Management personnel and other related persons of our firm are licensed as registered representatives of a broker-dealer and/or licensed as insurance agents or brokers. In their separate capacity(ies), these individuals are able to implement investment recommendations for advisory clients for separate and typical compensation (i.e., commissions, 12b-1 fees or other sales-related forms of compensation). This presents a conflict of interest to the extent that these individuals recommend that a client invest in a security which results in a commission being paid to the individuals. Clients are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

GENERAL INFORMATION

Termination of the Advisory Relationship: Clients may cancel advisory agreements without penalty for a period of five (5) days after the date signed. Agreement shall remain in full force and effect until such time as either party to the agreement receives written notification from the other party of his or her desire to cancel the agreement. Upon receipt by Advisor of written notice of cancellation, the Advisor shall complete the outstanding commitments and obligations made by it on behalf of the investor; however the Advisor shall not make any new commitments or undertake additional obligations on behalf of the investor. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period as applicable.

Mutual Fund Fees: All fees paid to TFS Advisory Services for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should

review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grand fathering of Minimum Account Requirements: Pre-existing advisory clients are subject to TFS Advisory Services minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: TFS Advisory Services is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"). As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, TFS Advisory Services may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset TFS Advisory Services advisory fees.

How are Advisory Fees Calculated and Earned:

- In Advance as a percentage of assets under management

How Frequently Do We Collect Advisory Fees:

- Quarterly

How Do We Collect Advisory Fees:

- Direct Debit of Client Brokerage, Managed, Mutual Fund or Bank Account
- Bill Client Directly
- Credit Card

Advisory Fees in General: Unless otherwise specified, all financial planning and asset management fees are typically prorated and paid quarterly, in advance. Fees are billed approximately 15 days after the end of each calendar quarter and where appropriate, deducted directly from the Investor's account. Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

Item 6 Performance-Based Fees and Side-By-Side Management

TFS Advisory Services does not charge performance-based fees.

Item 7 Types of Clients

TFS Advisory Services provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict when how long the trend may last and when that trend might reverse.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may under perform regardless of market movement.

Cyclical Analysis. In this type of technical analysis, we measure the movements of a particular stock against the overall market in an attempt to predict the price movement of the security.

Quantitative Analysis. We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We may look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantages of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Utilizing a trading strategy creates the potential for sudden losses if the anticipated price swing does not materialize. Moreover, under those circumstances, we are left with few options:

- having a long-term investment in a security that was designed to be a short-term

purchase, or

- the potential of having to taking a loss.

In addition, because this strategy involves more frequent trading than does a longer-term strategy, there will be a resultant increase in brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments.

Item 9 Disciplinary Information

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

TFS Advisory Services has no reportable events.

Our related broker-dealer has a reportable event as disclosed below:

Between the dates of 05/1995 - 08/1996 the related broker/dealer, TFS Securities, Inc. acting through a Principal of the firm, failed to comply with its' restriction agreement by effecting (15) municipal securities transactions on an "unsolicited" basis for existing clients of the firm, prior to obtaining a municipal principal.

The firm and the acting Principal at the time, were fined jointly and severally \$2500 for the restriction agreement violation and \$2500 for the registration violation. Both fines were paid on 07/30/1998 and the matter was closed in its' entirety.

Item 10 Other Financial Industry Activities and Affiliations

FIRM Registrations:

In addition to TFS Advisory Services being a registered investment adviser, our firm is affiliated with and a division of TFS Securities, Inc. a FINRA member broker-dealer. A more detailed description is specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1, which can be accessed by following the directions provided on the Cover Page of this Firm Brochure.

MANAGEMENT and PERSONNEL:

Thomas P. Hyland, President, Born 1964

President of:

- Tomorrow's Financial Services, Inc.
- TFS Securities, Inc.
- TFS Insurance Agency, Inc.

- TFS Mortgage Corporation, Inc.
- TFS Income Tax Preparation Services, Inc.
- TFS Realty Management Corporation, Inc.

B.A., Rutgers University, General Securities Representative, General Securities Principal, Financial and Operations Principal, Municipal Securities Principal, Investment Advisory Representative, Licensed Mortgage Banker and Licensed Insurance Producer.

Joanne Przybylko, Secretary & Treasurer, Born 1958

CEO of Tomorrow's Financial Services, Inc.

Secretary & Treasurer of:

- TFS Securities, Inc.
- TFS Insurance Agency, Inc.
- TFS Mortgage Corporation, Inc.
- TFS Income Tax Preparation Services, Inc.
- TFS Realty Management Corporation, Inc.

General Securities Representative, General Securities Principal, Chief Compliance Officer and Due Diligence Officer.

Robert Giarraffa, Portfolio Manager, Born 1947

M.B.A. Finance, Fairleigh Dickinson University

B.A. St. John's University

General Securities Representative, General Securities Principal, Investment Advisory Representative and Licensed Insurance Producer.

Joseph P. Okaly, Assistant Portfolio Manager, Born 1986

B.A. Finance, The College of New Jersey

6 Years Experience in the Financial Services Industry

General Securities Representative, Investment Advisory Representative, Registered Mortgage Solicitor, Licensed Insurance Producer.

Brian Michael Menickella, Fiduciary Advisor, Born 1959

30+Years Experience in the Financial Services Industry

Fiduciary 3(21) and 3(38) Advisor for TFS Advisory Services

Registered Financial Advisor with the NFL Players Association

Registered Financial Advisor with the Major League Baseball Association

Managing Partner, The Beacon Group of Companies, a registered Branch office of TFS Securities, Inc.

General Securities Representative, General Securities Principal, Investment Advisory Representative and Licensed Insurance Producer.

Tammy Case, Director Operations / Compliance, Born 1968

15 Years Operations and Compliance Experience

General Securities Representative and General Securities Principal

Tara Giarraffa, Director of Marketing, Born 1979

B.A. University of Delaware, Consumer Economics / Italian

10+ Years Experience in the Financial Services Industry

General Securities Representative, Investment Advisory Representative, Registered Mortgage Solicitor and Licensed Insurance Producer.

Nicole Przybylko, Operations Coordinator, Born 1985

B.A. Rutgers University

General Securities Representative, General Securities Principal, Municipal Securities Principal, Registered Options Principal and Financial and Operations Principal.

Jennette Fraler, Operations Coordinator, Born 1980

10 Years Operations and Compliance Experience

General Securities Representative, General Securities Principal, Municipal Securities Principal, Registered Options Principal and Financial and Operations Principal.

Daniel Johnson, Operations Coordinator, Born 1970

10 Years Industry Experience

General Securities Representative, General Securities Principal and Municipal Securities

Principal.

MANAGEMENT and PERSONNEL Registrations:

Personnel of TFS Advisory Services and other related personnel are separately licensed as registered representatives of TFS Securities, Inc., an affiliated broker-dealer. These individuals, in their separate capacity, may effect securities transactions for which they will receive separate, yet customary compensation.

While TFS Advisory Services and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

We are a registered investment adviser and a wholly owned subsidiary of **Tomorrow's Financial Services, Inc. a NJ holding Co.** As a subsidiary of **Tomorrow's Financial Services, Inc.**, our firm is under common ownership and control with several financial institutions, including the following with which we have a material business relationship (referred to collectively as the "Related Companies"):

- **TFS Securities, Inc.**, a FINRA member broker-dealer;
- **TFS Insurance Agency, Inc.**, a stand-alone licensed insurance agency;
- **TFS Mortgage Corporation, Inc.**, a stand -alone mortgage company;
- **TFS Realty Management Corporation, Inc.**, a stand-alone real estate management company;
- **TFS Tax Preparation Services, Inc.**, a stand -alone tax consulting and preparation firm.

Where appropriate, TFS Advisory Services and our employees may recommend the various investment and investment-related services of the Related Companies to our advisory clients. The Related Companies and their employees may also recommend the advisory services of our firm to their clients. The services provided by the Related Companies are separate and distinct from our advisory services, and are provided for separate and additional compensation. There may also be arrangements between TFS Advisory Services and these Related Companies where TFS Advisory Services and/or the Related Companies and their employees receive payment in exchange for client referrals. No TFS Advisory Services client is obligated to use the services of any of the Related Companies.

In addition, the management persons and other employees of TFS Advisory Services are: (1) management persons and registered representatives of a FINRA member broker-dealer; and, (2) management persons and insurance agents of a licensed insurance agency. These individuals may also be insurance agents for one or more insurance companies. In their separate capacities as registered representatives and/or insurance agents, these individuals

are able to effect securities transactions and/or purchase insurance and insurance-related investment products for TFS Advisory Services advisory clients, for which these individuals will receive separate and additional compensation. Clients, however, are not under any obligation to engage these individuals when considering the purchase/sale of securities or insurance.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Management or other personnel of our firm may have an interest in or may be affiliated with TFS Tax preparation Services, providing accounting services for separate and typical compensation.

TFS Tax Preparation Services, Inc. may recommend TFS Advisory Services to accounting clients in need of advisory services. Conversely, TFS Advisory Services may recommend **TFS Tax Preparation Services, Inc.** to advisory clients in need of accounting services. Accounting services provided by **TFS Tax Preparation Services, Inc.** are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No TFS Advisory Services client is obligated to use **TFS Tax Preparation Services, Inc.** for any accounting services and conversely, no accounting client is obligated to use the advisory services provided by us. The accounting services of **TFS Tax Preparation Services, Inc.** do not include the authority to sign checks or otherwise disburse funds on any of our advisory client's behalf.

Management personnel of TFS Advisory Services may have an interest in or be affiliated with **TFS Mortgage Corporation, Inc.**. In their separate capacities, these individuals are licensed under **TFS Mortgage Corporation, Inc.** as mortgage solicitors. As such, they can earn separate, yet typical compensation for the consummation of a mortgage.

TFS Mortgage Corporation, Inc. may recommend TFS Advisory Services to their clients in need of advisory services. Conversely, TFS Advisory Services may recommends **TFS Mortgage Corporation, Inc.** to advisory clients in need of such services. The services provided by **TFS Mortgage Corporation, Inc.** are separate and distinct from our advisory services, and are provided for separate and typical compensation. There are no referral fee arrangements between our firms for these recommendations. No TFS Advisory Services client is obligated to use **TFS Mortgage Corporation, Inc.** for any services and conversely, no **TFS Mortgage Corporation, Inc.** client is obligated to use the advisory services we provide.

Clients should be aware that the receipt of additional compensation by TFS Advisory Services and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. TFS Advisory Services endeavors at all times to put the interest of its

clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;

- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

TFS Advisory Services and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and record keeping provisions.

TFS Advisory Services Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to tphyland@tfsweb.com, or by calling us at 732-758-9300 Extension 145.

TFS Advisory Services and individuals associated with our firm are prohibited from engaging in principal transactions.

TFS Advisory Services and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be included in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.

4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. All clients are fully informed that related persons may receive separate commission compensation when effecting transactions during the implementation process.
8. Clients can decline to implement any advice rendered, except in situations where our firm is granted discretionary authority.
9. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
10. We discuss and reinforce our Code of Ethics annually at our mandatory annual compliance meetings and provide training wherever possible to ensure that each supervised person has a clear understanding of our Code of Ethics.
11. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
12. Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer and/or licensed as an insurance agent and/or broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 Brokerage Practices

Advisory clients of TFS Advisory Services are required to use Pershing, LLC, a non-affiliated clearing broker dealer for custodial and transaction services for client accounts and in some cases for TFS Securities, Inc. Pershing LLC provides the clearing, asset allocation, custodial and transactional services that are required to operate TFS Advisory Services, as its affiliated broker dealer TFS Securities, Inc. may not provide one or more of these services. In addition, the use of Pershing LLC enables TFS Advisory Services to pay from the client's advisory fees, some of the transaction fees as described in the fee schedule.

Each client of TFS Advisory Services provides written authority for the use of Pershing as the "clearing entity" for their transactions and the commission costs that will be charged for said transactions.

Clients must include any limitations on this discretionary authority in the afore mentioned authority statement. Clients may change/amend these limitations as required. Such

amendments must be provided to us in writing.

Advisory clients of TFS Advisory Services in need of brokerage or custodial services other than the asset allocation services offered, TFS Advisory Services may recommend the use of TFS Securities, Inc. for those services where the investment advisor representative of TFS Advisory Services is properly licensed to do so and provided TFS Advisory Services can meet its fiduciary obligation of best execution. However, no client is under obligation to effect transactions through any recommended broker.

TFS Advisory Services will block trades where possible and when advantageous to clients. This blocking of trades permits the trading of aggregate blocks of securities composed of assets from multiple client accounts, so long as transaction costs are shared equally and on a pro-rated basis between all accounts included in any such block.

Block trading may allow us to execute equity trades in a timelier, more equitable manner, at an average share price. TFS Advisory Services will typically aggregate trades among clients whose accounts can be traded at a given broker, and generally will rotate or vary the order of brokers through which it places trades for clients on any particular day. TFS Advisory Services block trading policy and procedures are as follows:

- 1) Transactions for any client account may not be aggregated for execution if the practice is prohibited by or inconsistent with the client's advisory agreement with TFS Advisory Services, or our firm's order allocation policy.
- 2) Trading personnel in concert with the portfolio manager determine that the purchase or sale of the particular security involved is appropriate for the client and consistent with the client's investment objectives and with any investment guidelines or restrictions applicable to the client's account.
- 3) The portfolio manager must reasonably believe that the order aggregation will benefit, and will enable TFS Advisory Services to seek best execution for each client participating in the aggregated order. This requires a good faith judgment at the time the order is placed for the execution. It does not mean that the determination made in advance of the transaction must always prove to have been correct in the light of a "20-20 hindsight" perspective. Best execution includes the duty to seek the best quality of execution, as well as the best net price.
- 4) Prior to entry of an aggregated order, an electronic order ticket is generated which identifies each client account participating in the order and the proposed allocation of the order, upon completion, to those clients. Trading personnel have the ability to print order tickets or generate a print screen of the entire allocation for any particular aggregated trading activity.
- 5) If the order cannot be executed in full at the same price or time, the securities actually purchased or sold by the close of each business day must be allocated pro rata among the participating client accounts in accordance with the initial order ticket or other written statement of allocation. However, adjustments to this pro rata allocation may be made to participating client accounts in accordance with the initial order ticket or other written statement of allocation. Furthermore, adjustments to this pro rata allocation may be made to

avoid having odd amounts of shares held in any client account, or to avoid excessive ticket charges in smaller accounts.

6) Generally, each client that participates in the aggregated order must do so at the average price for all separate transactions made to fill the order, and must share in the commissions on a pro rata basis in proportion to the client's participation. Under the client's agreement with the custodian/broker, transaction costs may be based on the number of shares traded for each client.

7) If the order will be allocated in a manner other than that stated in the initial statement of allocation, a written explanation of the change must be provided to and approved by the Chief Compliance Officer no later than the morning following the execution of the aggregate trade.

8) TFS Advisory Services client account records separately reflect, for each account in which the aggregated transaction occurred, the securities which are held by, and bought and sold for, that account.

9) Funds and securities for aggregated orders are clearly identified on TFS Advisory Services records and to the broker-dealers or other intermediaries handling the transactions, by the appropriate account numbers for each participating client.

10) No client or account will be favored over another.

Item 13 Review of Accounts

INVESTMENT SUPERVISORY SERVICES INDIVIDUAL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed regularly as the investment advisor representatives deem necessary. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are typically reviewed by the corresponding investment advisor representative.

REPORTS: In addition to the monthly statements and confirmations of transactions that clients receive from their custodian, Individual registered investment advisors may provide other reports summarizing account performance, balances and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

INVESTMENT SUPERVISORY SERVICES PROPRIETARY MODEL PORTFOLIO MANAGEMENT

REVIEWS: While the underlying securities within Individual Portfolio Management Services

accounts are continually monitored, these accounts are reviewed regularly as the managers deem necessary. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. In addition, the investment advisor representatives review their client accounts on a regular basis.

These accounts are typically reviewed by the portfolio manager.

REPORTS: In addition to the monthly/quarterly statements and confirmations of transactions that clients receive from the custodian, Individual registered investment advisors may provide other reports summarizing account performance, balances and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

MUTUAL FUND PORTFOLIO MANAGEMENT

REVIEWS: TFS Advisory Services continually reviews and monitors the Mutual Fund's holdings in accordance with the investment objectives as detailed in the Fund Prospectus.

REPORTS: Clients should refer to the Fund Prospectus for information regarding regular reports to the fund by TFS Advisory Services.

PENSION CONSULTING SERVICES

REVIEWS: TFS Advisory Services will review the client's Investment Policy Statement (IPS) whenever the client advises us of a change in circumstances regarding the needs of the plan. TFS Advisory Services will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur quarterly.

These accounts are reviewed by: The introducing investment advisory representative.

REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory relationship and /or TFS Advisory Services will provide reports to Pension Consulting Services clients based on the terms set forth in the client's Investment Policy Statement if and/or when applicable.

SELECTION and MONITORING of THIRD-PARTY MONEY MANAGERS

REVIEWS: These client accounts should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reviews provided by that independent registered investment adviser.

TFS Advisory Services will provide reviews as contracted at the inception of the advisory relationship.

These accounts are typically reviewed by the corresponding investment advisor

representative.

REPORTS: These clients should refer to the independent registered investment adviser's Firm Brochure (or other disclosure document used in lieu of the brochure) for information regarding the nature and frequency of reports provided by that independent registered investment adviser.

TFS Advisory Services will provide these client accounts with reports if and when as contracted for at the inception of the advisory relationship.

FINANCIAL PLANNING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for.

CONSULTING SERVICES

REVIEWS: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Consulting Services clients unless otherwise contracted for. Such reviews will be conducted by the client's account representative.

REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory engagement but due to the nature of the service, reports are typically not given.

Item 14 Client Referrals and Other Compensation

It is TFS Advisory Services policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is TFS Advisory Services policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients unless as allowable under SEC, FINRA or any other self regulatory organization's advisory rules.

Item 15 Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is

important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Our firm does not have actual or constructive custody of client accounts.

Item 16 Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- Determine the security to buy or sell; and/or
- Determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We may provide clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business.

Item 18 Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1200 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. TFS Advisory Services has no additional financial circumstances to report.

TFS Advisory Services has not been the subject of a bankruptcy petition at any time during the past ten years.