Firm Brochure

(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Hillspring Financial, Inc. (HFI).

If you have any questions about the contents of this brochure, please contact us at: 623-583-6141, or by email at: info@hillspringfinancial.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 HFI is available on the SEC's website at www.adviserinfo.sec.gov

May 1, 2013

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually and when material changes occur since the previous release of the Firm Brochure.

These are the Material Changes since the last annual update dated March 31, 2011

Added Kent G. Forsey as a Principal Owner of Hillspring Financial.

Added Investment Management Services TEG Program details.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: 623-583-6141 or by email at: info@hillspringfinancial.com.

Table of Contents

Information Security Program

Brochure Supplement (Part 2B of Form ADV)

Appendix A

Advisory Business

Firm Description

Max W. Smith, CFP®, CIMA®, founded the firm in 1983. The firm name was changed to Hillspring Financial, Inc. in 2007.

HFI provides personalized confidential financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates, and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, education funding, retirement planning, and estate planning.

HFI is a fee-based financial planning and investment management firm.

Investment advice is an integral part of financial planning.

Investment advice is provided, with the client making the final decision on investment selection. HFI does not act as a custodian of client assets. The client always maintains asset control. HFI places trades for clients under a limited power of attorney.

A written evaluation of client's initial situation may be provided to the client, as appropriate. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur as appropriate for the particular client situation.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

The initial meeting is free of charge and is considered an exploratory interview to determine the extent to which financial planning and investment management may be beneficial to the client.

Principal Owners

Max W. Smith, CFP®, CIMA® and Kent G. Forsey

Types of Advisory Services

Financial Planning Services

HFI furnishes advice to clients on matters not involving securities such as, but not limited to, financial planning matters, taxation issues, and estate planning.

HFI provides asset management services, furnishes investment advice through consultations and issues economic updates via email generally on a quarterly basis. HFI may prepare a proposal for new or existing clients who may include charts, graphs, formulas, or other devices which clients may use to evaluate securities.

As of March 31, 2011, HFI manages approximately $54,354,000 in assets for approximately 206 clients. Approximately $40,628,000 is managed on a discretionary basis, and $13,726,000 is managed on a non-discretionary basis.

Investment Management Services:

Initial public offerings (IPOs) are not available through HFI.

Investment management services will be provided according to either the PAM program, the CIM System program, the TEG program, and/or the Retirement Plan Services as described below.

PAM Program:

The HFI Private Asset Management (PAM) program provides investment advisory services and execution of client transactions for which the specified fee (or fees) is not based directly upon transactions in a client's account. Under the PAM program, HFI will assist the client in the establishment of an account with a custodian for individual securities, exchange traded funds or mutual funds.

HFI's investment advisor representatives will implement the trades for client accounts. All brokerage transactions in the account will be processed by the custodian or the insurance company. HFI has entered into agreements with TD Ameritrade to act as custodian of client individual securities, exchange traded funds and mutual funds. An agreement has also been entered into with Ameritas and Prudential insurance companies that allow for the management of client variable annuity accounts.

HFI will not act as a custodian for any account. The custody of all funds and securities will be maintained by outside custodians.

HFI does not sell variable annuity products. Should a need arise for a client to invest in a variable annuity; HFI will assist the client in selecting an appropriate no-load variable annuity product for their needs. No commissions or set up fees will be involved. Once the annuity is in place, the same advisory fees will apply to manage the subaccounts.

The PAM program may be canceled at any time, by any of the parties, for any reason upon receipt of written notice. Upon termination of an account, any prepaid, unearned fees will be promptly refunded.

Transaction ticket charges by the custodian will be paid by the client and will be deducted from the transaction as applicable.

CIM System Program:
The CIM System Program is a wrap-fee program sponsored by Genworth Financial Wealth Management, Inc. (GFWM), a registered investment advisor and a subsidiary of Genworth Financial, Inc. Genworth is a Fortune 250 company operating internationally with over $100 billion in assets. GFWM delivers Custodial and Administrative Services specializing in meeting the needs of independent financial advisors and their clients. They are more fully described in the Program Disclosure Statement incorporated herein as ADV Appendix 1 (Genworth). See Appendix A. Please refer to this document for important details of how this program works.

TEG Program:
The TEG Program is a wrap-fee program sponsored by The Elements Group, a registered investment advisor. The Elements Group delivers Custodial and Administrative Services specializing in meeting the needs of independent financial advisors and their clients. They are more fully described in the Program Disclosure Statement incorporated herein as ADV Appendix 2 (The Elements Group). See Appendix A. Please refer to this document for important details of how this program works.

Retirement Plan Services:
HFI provides investment advice to plan sponsors and participants involved in retirement plans.

Establishing or Reviewing Retirement Plans:
HFI will work directly with outside retirement plan providers, custodians and third party administrators (TPAs) as needed in assisting plan sponsors to establish an appropriate retirement plan or review the suitability of an existing retirement plan. This service will include the suitability of the investment choices contained in their retirement plan. Though HFI will make every effort to recommend suitable retirement plan providers, custodians and/or TPAs; HFI does not assume responsibility for their work.

Investment Advice:
Once a retirement plan has been established, HFI will meet with plan sponsor and employee groups on a periodic basis as desired by the plan sponsor to provide education, encourage participation and to give investment advice as requested by the plan sponsor or participants.

Fees and Compensation

HFI does not receive compensation in any form from fund companies. All fees discussed below are negotiable under unusual circumstances.

Financial Planning and Consulting Services:

Initial and start-up services:

Initial consultations for new clients are conducted with no charge. Following the initial consultation, if additional financial planning or consulting is desired, these services can be provided for a flat fee or an hourly rate, depending on the needs of the client. If the services desired by the client match the services provided on the fee schedule, then the flat fee would be appropriate. If the services required do not match the fee schedule, services would then be provided at an hourly rate of $195/hour (lesser hourly fees may be charged for administrative and staff functions). These charges will be for actual hours spent.

HILLSPRING FINANCIAL FEE SCHEDULE			
Services at a Glance	**Basic Plan**	**Premium Plan**	**Premium Plus Plan**
Initial Consultation	**Yes**	**Yes**	**Yes**
Retirement Feasibility	**Yes**	**Yes**	**Yes**
Discovery Interview	**Yes**	**Yes**	**Yes**
Investment Plan (Written)	**Yes**	**Yes**	**Yes**
Unlimited Communication and Follow-up	**As needed**	**Yes**	**Yes**
Financial Plan (Written)		**Yes**	**Yes**
Investment Management		**Yes**	**Yes**
Full Membership Benefits		**Yes**	**Yes**
Comprehensive Analysis			***Yes***
Initial Planning Fee With Minimum Invested Assets	***$295***	***$575***	***$995***
Initial Planning Fee Without Minimum Invested Assets	***$295***	***$1,575***	***$1,995***
Annual Ongoing Services Fixed Fee	***$295***	***$0***	***$0***
Membership Benefits			
Unlimited Access by telephone/email		Yes	Yes
Periodic face-to-face Update Meetings (quarterly - or as needed)		Yes	Yes
Meetings with family Members as desired		Yes	Yes
Wealth Management System *(Personal Financial Website)*		Yes	Yes
Annual Retainer Waived		Yes	Yes
Periodic Investment Management and Market Updates via Email		Yes	Yes
Updated Retirement Feasibility Analysis and Report as needed		Yes	Yes
Updated Cash Flow Projections as needed – to help keep you on track		Yes	Yes

New Clients and Existing Clients Under the PAM, CIM System or TEG Programs:

Hourly rates do not apply to new clients under the PAM program or the CIM System program (as described below). These clients will have the necessary initial planning completed according to one of the three levels of planning described on the fee schedule. The corresponding flat fee will apply.

PAM Program

The annual advisory fee charged for this service will vary between 0.5% and 1.2% depending on the assets managed and the management activity required. Management fees for basic bond fund accounts may be on the lower end of the fee scale. Fully diversified and tactically managed accounts will be as high as 1.2%. Actual management fees for specific accounts will be assessed and discussed in advance. One fourth of the fee will normally be deducted from the respective account each quarter, in arrears.

As advisory fees may be withdrawn from client's accounts, HFI acknowledges that:

- Clients provide written authorization permitting the adviser's fee to be paid directly from the client's account(s) held by independent custodian(s);
- The independent custodian(s) send to the client, at least quarterly, a statement indicating all amounts disbursed from the account;
- The investment adviser sends a statement to the client showing the amount of the fee, the value of the client's assets upon which the fee was based, and the specific manner in which the fee is calculated;
- It is the client's responsibility to verify accuracy of the fee calculation and the custodian will not determine whether the fee is properly calculated. HFI still maintains the fiduciary duty to ensure that the fees are calculated accurately.
- HFI sends a bill to the custodian indicating the amount of fees to be paid to the investment adviser.

CIM System Program:

The annual advisory fee charged for this service will vary between 1.1% and 1.75% depending on the underlying strategist used and the amount of active management required. One fourth of the annual fee will normally be deducted from the respective account each quarter, in advance. HFI will receive a portion of this fee.

Custodial fees: The custodian under the CIM System will charge custodial fees at the rate of $37.50 per quarter for mutual fund accounts. Custodial fees for exchange traded fund (ETF) accounts will be up to 0.25% annually. Accounts will be billed quarterly for custodial fees.

As advisory fees may be withdrawn from client's accounts, HFI acknowledges that:

- Clients provide written authorization permitting the adviser's fee to be paid directly from the client's account(s) held by independent custodian(s);
- The independent custodian(s) send to the client, at least quarterly, a statement indicating all amounts disbursed from the account;
- It is the client's responsibility to verify accuracy of the fee calculation and the custodian will not determine whether the fee is properly calculated. HFI still maintains the fiduciary duty to ensure that the fees are calculated accurately.

TEG Program:

The annual advisory fee charged for this service will vary between 1.1% and 1.75% depending on the underlying strategist used and the amount of active management required. One fourth of the annual fee will normally be deducted from the respective account each quarter, in advance. HFI will receive a portion of this fee.

Custodial fees: Custodial fees are included in this advisory fee noted above, and will be up to a maximum of 0.15% annualized.

As advisory fees may be withdrawn from client's accounts, HFI acknowledges that:

- Clients provide written authorization permitting the adviser's fee to be paid directly from the client's account(s) held by independent custodian(s);
- The independent custodian(s) send to the client, at least quarterly, a statement indicating all amounts disbursed from the account;
- It is the client's responsibility to verify accuracy of the fee calculation and the custodian will not determine whether the fee is properly calculated. HFI still maintains the fiduciary duty to ensure that the fees are calculated accurately.

Retirement Plan Services:

The annual 401k advisory fee of 0.40% to 0.5% of plan assets will be charged for this service. One fourth of the fee will normally be deducted from the participant’s account each quarter, in advance.

The Active Management for Participants program is available for the sponsors using the Nationwide 401k Clear Advantage program. When this program is in place, HFI will actively manage participant accounts who desire this service. The annual advisory fee for this service, when in place, will be an additional 0.4% to 0.5% of plan assets. One fourth of this fee will be deducted from participant's accounts on a quarterly basis.

Other Fees

Custodians may charge transaction fees on purchases or sales of individual securities, certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Expense Ratios

Mutual funds and exchange traded funds generally charge a management fee for their services as investment managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid to HFI.

Performance figures quoted by mutual fund companies in various publications are <u>after</u> their fees have been deducted.

Tailored Relationships

The goals and objectives for each client are documented in our client relationship management system. Investment policy statements may be created that reflect the stated goals and objectives. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Hourly Planning Engagements

HFI provides hourly planning services for clients who need advice on a limited scope of work. The hourly rate for limited scope engagements is $195.

Termination of Agreement

A Client may terminate any of the aforementioned agreements at any time by notifying HFI in writing and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, HFI will refund any unearned portion of the advance payment.

HFI may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, HFI will refund any unearned portion of the advance payment.

Past Due Accounts and Termination of Agreement

HFI reserves the right to stop work on any account that is more than 30 days overdue. In addition, HFI reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in HFI's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

Performance-Based Fees

Sharing of Capital Gains

Fees are <u>not</u> based on a share of the capital gains or capital appreciation of managed securities.

HFI does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Types of Clients

Description

HFI generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, corporations or business entities.

Client relationships vary in scope and length of service.

Account Minimums

The minimum account size is generally $250,000 of assets under management.

Depending upon circumstances, HFI may sign an Hourly Agreement with the client if assets have diminished significantly below the minimum.

HFI has the discretion to waive the account minimum. Accounts of less than $250,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to the minimum within a reasonable time. Other exceptions will apply to employees of HFI and their relatives, or relatives of existing clients.

Clients receiving ongoing asset management services will be assessed a $295 minimum annual fee. Clients with assets below the minimum account size may pay a higher percentage rate on their annual fees than the fees paid by clients with greater assets under management.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods may include fundamental analysis and technical analysis.

The main sources of information include financial newspapers, research materials prepared by others, corporate rating services, annual reports, and prospectuses.

Investment Strategies

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each investment client executes an Investment Policy Statement that documents their objectives and their desired investment strategy.

Exchange traded funds, mutual funds, or individual securities may be used. The primary investment strategies used on client accounts may be one or more of the following:

Strategic: Assets are globally diversified to control the risk associated with traditional markets. Accounts are rebalanced on a periodic basis.

Tactical Constrained: Assets in these accounts will be actively managed and may underweight or overweight specific asset classes from the core models in an effort to add value. Minimum and maximum limits are specified for exposure to equities and fixed income, depending on the risk profile of the client.

Tactical Unconstrained: Assets in these accounts will be actively managed and may underweight or overweight specific asset classes from the core models in an effort to add value. There are no minimum and maximum limits specified for exposure to equities or fixed income. Accounts may be 100% in cash at times deemed appropriate by the account manager.

Absolute Return: Assets will be managed on a very conservative basis to help minimize losses during down markets. Returns during rising markets may be diminished due to the conservative nature of this strategy.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Market Risk: The price of a security, bond, exchange traded fund, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year because purchasing power is eroding at the rate of inflation.

Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Disciplinary Information

Legal and Disciplinary

HFI and its employees have not been involved in legal or disciplinary events related to past or present investment clients.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

Max W. Smith, CFP®, CIMA®, and Kent G. Forsey, are not engaged in professions other than giving investment advice with one exception; they are licensed to sell insurance products. Less than 1% of their work week is spent on this activity. Since this is a potential conflict of interest it will be the practice of Max and Kent to disclose to the purchasing client, the amount of commissions expected.

Affiliations

Hillspring Financial, Inc. will use the support services of Genworth Financial Wealth Management, Inc., registered investment advisors, when managing client assets in the CIM System Program. When doing so, Genworth Financial Wealth Management, Inc. will receive a portion of the fees charged to the client.

Max W. Smith, CFP®, CIMA®, and Kent G. Forsey are also independently licensed to sell insurance products through various insurance companies. When acting in this capacity, Max and Kent will receive commissions for selling these products. Since this is a potential conflict of interest it will be their practice to disclose to the purchasing client, the amount of commissions expected.

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

Code of Ethics

The employees of HFI have committed to a Code of Ethics that is available for review by clients and prospective clients upon request. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

This Code establishes rules of conduct for all employees of HFI and is designed to, among other things; govern securities trading activities in the accounts of employees. The Code is based upon the principle that HFI and its employees owe a fiduciary duty to HFI's clients to conduct their affairs, including their securities transactions, in such a manner as to avoid:

- Serving their own personal interests ahead of clients;
- Taking inappropriate advantage of their position with the firm and;
- Any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

Personal Trading

The Chief Compliance Officer of HFI is Max W. Smith, CFP®, CIMA®. He reviews all employee trades each quarter. His trades are reviewed by Kent G. Forsey. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

Brokerage Practices

Selecting Brokerage Firms

Other than various insurance companies indicated above, HFI does not have any affiliation with product sales firms. Specific custodian recommendations are made to cclients based on their need for such services. HFI recommends custodians based on the proven integrity and financial responsibility of the respective company and the best execution of orders at reasonable trading cost rates.

HFI recommends qualified custodians such as TD Ameritrade for securities other than variable annuities. Custodians for variable annuities are currently Prudential and Ameritas.

Best Execution

All accounts managed in-house for a fee at TD Ameritrade Institutional use mutual funds and Exchange Traded Funds (ETFs). TD Ameritrade has a significant list of mutual funds that can be traded without commissions or transaction fees. It is the policy of HFI to use no-transaction-fee (NTF) funds whenever feasible.

The balance of the managed accounts are held at TD Ameritrade Institutional and Genworth Financial Trust Company. All of these accounts are administered by Genworth Financial Wealth Management, Inc., a third-party asset-management company. At this point all accounts are made up of mutual funds and ETFs. The clients are not charged a trading fee for mutual fund or ETF transactions. These costs are covered by a quarterly custodial fee.

This fee is disclosed in writing before opening the account. HFI does not receive any portion of the trading fees.

Soft Dollars

HFI does not participate in soft dollar arrangements.

Order Aggregation

Most trades are mutual funds or exchange-traded funds where trade aggregation does not garner any client benefit.

Review of Accounts

Periodic Reviews

Max W. Smith, CFP®, CIMA®, and Kent G. Forsey will review all investment advisory accounts under fee-based management as often as necessary to take into consideration current and projected market changes. At a minimum, accounts will be reviewed once a year, but reviews are generally performed on a quarterly basis.

No particular sequence will be used and the matters reviewed will include past performance, projected trends, current financial status and the estimated impact from the current and projected market changes.

Unless the client is under a fee arrangement no review will be made unless agreed upon in writing. All investment advisory clients are advised that it remains their responsibility to advise HFI of any changes in their investment objectives, investment policy, or the overall objectives for them or their retirement plan. All clients are encouraged to comprehensively review personal or plan objectives, investment objectives, investment policy, and performance with HFI on at least an annual basis.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation.

Regular Reports

Clients participating in the PAM Program will not receive written performance reports. However, they will (at their request) have access to an active website which will maintain up-to-date, current and historical account values.

Clients will receive monthly statements from the custodian in either digital or paper format, as desired.

Investors participating in Hillspring Financial, Inc. CIM System will receive monthly account statements and quarterly reports showing the investment performance of their accounts.

Account reviewers consider the client's current security positions and the likelihood that the performance of each security will contribute to the investment objectives of the client.

Client Referrals and Other Compensation

Incoming Referrals

HFI has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. The firm does not compensate referring parties for these referrals.

Referrals Out

HFI does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Custody

Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record or electronically, at least quarterly.

Performance Reports

As applicable, cclients are urged to compare the account statements received directly from their custodians to the performance report statements provided by HFI.

Net Worth Statements

Clients are frequently provided net worth statements and net worth graphs as appropriate and as requested. Net worth statements contain approximations of bank account balances provided by the client, as well as the value of land and hard-to-price real estate. The net worth statements are used for long-term financial planning where the exact values of assets are not material to the financial planning tasks.

Investment Discretion

Discretionary Authority for Trading

HFI accepts limited discretionary authority to manage securities accounts on behalf of clients. HFI has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of the securities to be bought or sold.

The client approves the custodian to be used. HFI does not receive any portion of the transaction fees paid by the client to the custodian on certain trades.

Limited discretionary trading authority facilitates placing trades in client accounts on theirr behalf so that HFI may promptly implement the investment policy that they have approved in writing.

Limited Power of Attorney

A limited power of attorney is a trading authorization for this purpose. The client signs a limited power of attorney so that HFI may execute the trades they have approved.

Voting Client Securities

Proxy Votes

HFI does not vote proxies on securities. Clients are expected to vote their own proxies.

When assistance on voting proxies is requested, HFI will provide recommendations to the cclient. If a conflict of interest exists, it will be disclosed to the cclient.

Financial Information

Financial Condition

HFI does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because HFI does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than $500 per client, and six months or more in advance.

Business Continuity Plan

General

HFI has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key personnel.

Disasters

The Business Continuity Plan covers natural disasters as well as man-made disasters. Electronic files are backed up daily and archived offsite.

Alternate Offices

Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Information Security Program

Information Security

HFI maintains an information security program to reduce the risk that your personal and confidential information may be breached.

Privacy Notice

HFI is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us.

The categories of nonpublic information that we collect from you may include information about your personal finances, information about your health to the extent that it is needed for the financial planning process, information about transactions between you and third parties, and information from consumer reporting agencies, e.g., credit reports. We use this information to help you meet your personal financial goals.

With your permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom you have established a relationship. You may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, e-mail at info@hillspringfinancial.com, or in person. With your permission, we share a limited amount of information about you with your brokerage firm in order to execute securities transactions on your behalf.

We maintain a secure office to ensure that your information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide your personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unaffiliated third parties that require access to your personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and your personal records as permitted by law.

Personally identifiable information about you will be maintained while you are a client, and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify you in advance if our privacy policy is expected to change. We are required by law to deliver this *Privacy Notice* to you annually, in writing.

Brochure Supplement (Part 2B of Form ADV)

Education and Business Standards

HFI requires that advisors in its employ have a bachelor's degree and further coursework demonstrating knowledge of financial planning and tax planning. Additionally, advisors must have work experience that demonstrates their aptitude for financial planning and investment management.

Professional Certifications

Max W. Smith, CFP®, CIMA®, has earned certifications and credentials that are explained in further detail.

Certified Financial Planner (CFP®): Certified Financial Planners are licensed by the CFP Board to use the CFP mark.

CFP® certification requirements:

- Bachelor's degree from an accredited college or university.
- Completion of the financial planning education requirements set by the CFP Board (www.cfp.net).
- Successfully complete the 10-hour CFP® Certification Exam.
- Three-year qualifying full-time work experience.
- Successfully pass the Candidate Fitness Standards and background check.
- Successfully complete 30 hours of continuing education every two years.

Certified Investment Management Analyst (CIMA®): Certified Investment Management Analysts are licensed by the Investment Management Consultants Association.

CIMA® certification requirements:

- At least three years of broad experience in the field of investment management consulting;
- Successfully pass an extensive background check;
- Successfully complete the demanding educational program;
- Successfully complete a comprehensive examination;
- Continually adhere to a rigorous code of professional responsibility;
- Successfully complete 40 hours of continuing education every two years.

Officer Certifications and Background

Max W. Smith, CFP®, CIMA®

- Date of birth: May 17, 1946
- Undergraduate - Brigham Young University; 1964/65 and 1967/68
- Bachelor of Science Degree - Utah State University - 1970
- December 2007 to present: Chairman/President and Investment Advisor Representative of Hillspring Financial, Inc., a Registered Investment Advisory Firm
- June 1993 to December 2007: Chairman of the Center for Investment Management, Inc., an Investment Advisory Firm. Firm was renamed Hillspring Financial, December, 2007.
- July 1993 to June 2003: Registered Representative, Registered Principal, and branch manager for Securities America, Inc.

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None
Bankruptcy Petition: None

Kent G. Forsey

- Date of birth: February 17, 1959
- University of Utah – one year
- Brigham Young University – Bachelor's degree in Business Finance with a minor in Economics.
- September 2010 to Present: Senior Vice President and Investment Advisor Representative of Hillspring Financial, Inc., a Registered Investment Advisory Firm
- April 2005 to September 2010: Registered Representative for Morgan Stanley Smith Barney

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None
Bankruptcy Petition: None

Supervision:

Max W. Smith, CFP®, CIMA®, is supervised by Kent G. Forsey, President.

Kent G. Forsey is supervised by Max W. Smith, CFP®, CIMA®, Chairman and Chief Compliance Officer. They review each other's work through frequent office interactions, regular staff meetings and periodic reviews of work completed.

Both supervisors' contact information:

- 623-583-6141
- info@hillspringfinancial.com

Appendix A

ADV Appendix 1 (Genworth Financial Wealth Management)

See following pages.

PLATFORM DISCLOSURE BROCHURES

MARCH 2013 (FOR USE WITH CSA VERSION 1.91)

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Genworth Financial Wealth Management, Inc.

TABLE OF CONTENTS:

PLATFORM DISCLOSURE BROCHURE

(FORM ADV – APPENDIX 1)

PLATFORM DISCLOSURE BROCHURE

Form ADV – Appendix 1

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – COVER PAGE

Genworth Financial Wealth Management, Inc.

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Chief Compliance Officer
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Suite 600
Pleasant Hill, CA 94523
800-664-5345
GenworthWealth.com

This Genworth Financial Wealth Management Disclosure Brochure provides information about the qualifications and business practices of Genworth Financial Wealth Management ("GFWM"). If you have any questions about the contents of this Brochure, please contact GFWM using the information shown on the left. 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. GFWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about GFWM also is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

This section provides a summary of material changes that were made to this brochure since the last update, and is intended to help Clients determine if they want to review this brochure in its entirety, or contact their Financial Advisor with questions about the changes.

This summary may include any changes to GFWM's Platform.

GFWM may make interim updates to this brochure throughout the year. Each brochure must be filed with the SEC. To request a copy of the most recent disclosure brochure, write to:

Genworth Financial Wealth Management, Inc.
Attention: Adviser Compliance
2300 Contra Costa Blvd. Suite 600
Pleasant Hill, CA 94523-3967
800-664-5345
genworthwealth.com
advisorcompliance@genworth.com

Since the last annual update, there are no material changes to report. The updates in this Brochure include:

Genworth Financial Asset Management updates

Effective March 31, 2013, the following GFAM product and services will no longer be available to new business:

- Genworth Multiple Strategies ("GMS") Opportunistic mandate
- Active Return Opportunities ("ARO") mandates with the exception of ARO-100 Global. ARO-100 Global may also be referred to as ARO Global. Profile 1 for ARO Global will also be closed to new business
- Privately Managed Portfolios ("PMP")
- The Actively Managed Protection ("AMP") Service
- Effective March 31, 2013, the fees for GMS Global and High Dividend will fall under one GMS Fee Schedule as provided in Item 5. The net result will either be no change to your fee, or you may pay a lower fee. The fees for the GMS Opportunistic strategy and strategies with AMP (both closed to new business) will remain unchanged.

Altegris Multi-Strategy Updates

- Altegris Multi-Strategy will be renamed the Altegris Diversified Alternatives strategy.
- Altegris plans to add the Altegris Long/Short Fixed Income Fund to the Altegris Diversified Alternatives strategy. This change does not impact the net GFWM Fee for assets invested in this strategy.

ITEM 3 – TABLE OF CONTENTS

ITEM 4 – SERVICE, FEES AND COMPENSATION

WRAP FEE PROGRAM – THE FINANCIAL ADVISORY FIRM

The Platform described in this Disclosure Brochure is offered through financial advisory firms such as registered investment advisers and broker-dealers (each, a "Financial Advisory Firm"), serving as the individual investment advisor for each client (the "Client") with accounts invested through the Platform. In order to participate in the Platform, the Client and the Financial Advisory Firm will enter into a Client Services Agreement that outlines the services to be performed by the Financial Advisory Firm, the authority of the Financial Advisory Firm and the Client over transactions in the Client's account, the compensation payable by the Client and other important provisions governing participation in the Platform. The Financial Advisory Firm evaluates the Client's investment needs and objectives, consults with the Client concerning the Client's participation in the Platform and is responsible for determining the suitability of various Platform options ("Investment Solutions") for the Client's investment objectives and financial condition. Each of the Investment Solutions may be implemented with a number of options, including a range of Risk/Return Profiles (the "Risk/Return Profiles") and Asset Allocation Approaches (the "Asset Allocation Approaches"), each described below, so that the Client can customize a strategy by which each of the Client's accounts under the Platform will be managed or maintained. The specific Investment Solution and the components of the strategy selected for the Client's Account are referred to as the Client's investment "Strategy." A Client may establish one or more investment accounts (each an "Account") through the Platform, and the Client's Accounts are collectively referred to as the Client's "Portfolio."

Set forth below are descriptions of the components and function of the Platform.

GENWORTH FINANCIAL WEALTH MANAGEMENT

Genworth Financial Wealth Management, Inc. ("GFWM") is a registered investment adviser with the Securities and Exchange Commission (SEC), and provides consulting services to other advisors and investment advisory clients. GFWM is the sponsor of the Platform, and consults with the Financial Advisory Firms to implement the Platform for their Clients. As part of its services, GFWM provides Account administration and has developed internet-based software which provides the Financial Advisory Firm with the ability to directly monitor its Client Accounts, download information concerning changes in the Platform, and access current information relating to the Platform. GFWM also serves as the Portfolio Strategist and Investment Manager for the Guided Portfolios which includes the GPS Solutions ("formerly GPS Strategies") and the GPS Select Solutions. GPS Solutions will invest in pre-determined allocations of the GuidePath Funds. GPS Select Solutions will invest in pre-determined allocations to various Asset Allocation Approaches and within each Asset Allocation approach, will make allocations to various Portfolio Strategists and Investment Managers, including Altegris Advisors, L.L.C., an affiliate of GFWM, and GFAM.

Additionally, GFWM also serves as the investment adviser for the following registered investment companies that may be available in certain Investment Solutions under the Platform:

1) GPS I, a series of sub-advised no load mutual funds that include the GuideMark Funds (formerly known as the AssetMark Funds);
2) GPS II, a series of no-load mutual funds that include both sub-advised GuideMark Funds as well as GuidePath funds of funds; and
3) the Genworth Financial Contra Fund, a registered investment company used by GFWM to provide risk mitigation in some Investment Solutions

GFWM is not registered with the Commodity Futures Trading Commission ("CFTC") as a commodity trading advisor, based on its determination that it may rely on certain exemptions from registration provided by the Commodity Exchange Act and the rules thereunder. The CFTC has not passed upon the availability of these exemptions to GFWM. Additionally, solely with respect to the GuidePath Altegris Multi Strategy Alternative Allocation Fund, GFWM is registered as a "commodity pool operator" under the Commodity Exchange Act ("CEA") and the rules of the CFTC.

PLATFORM OVERVIEW

To establish a Client's Account on the Platform, the Financial Advisory Firm and Client will enter into a Client Services Agreement. In establishing the Account, the Client may complete a questionnaire, or otherwise provide information to the Financial Advisory Firm, to enable the Client and the Financial Advisory Firm to identify the Client's risk tolerance and rate of return objectives. The Client may provide information concerning the Client's investment experience, anticipated need for liquidity, potential timing of the need for retirement funds, and other investment needs and parameters. This information will assist the Client and the Financial Advisory Firm in selecting which of the Risk/Return Profiles, is most closely aligned with the Client's investment goals.

RISK/RETURN PROFILES

One of the fundamental elements of the Platform is establishing the Client's appropriate Risk/Return Profile. These Profiles range from most conservative (lowest estimated risk and lowest potential return) to most aggressive (highest estimated risk and highest potential return).

The investment objectives for each of the six Risk/Return Profiles are listed below:

Profile 1 – Conservative
- The profile is designed for an investor who wants to focus on preservation of capital as a primary goal and wishes to minimize downside risk.

Profile 2 – Moderate Conservative
- The profile is designed for an investor who seeks to preserve capital but wishes to assume moderate downside risk in order to earn a return sufficient to preserve purchasing power.

Profile 3 – Moderate
- The profile is designed for an investor who seeks to balance risk of loss to capital with capital appreciation.

Profile 4 – Moderate Growth
- The profile is designed for an investor who seeks enhanced capital appreciation and is willing to accept greater risk of downside loss and volatility of returns.

Profile 5 – Growth
- The profile is designed for an investor who seeks significant capital appreciation and is willing to accept a correspondingly greater risk of loss and volatility of returns.

Profile 6 – Maximum Growth
- The profile is designed for an investor who seeks the highest level of capital appreciation and is willing to accept the correspondingly greater risk of loss and volatility of returns.

The percentage allocation to equity securities targeted for each Risk/Return Profile increases for each Profile from Conservative, which would represent the lowest target allocation of equity securities, through Maximum Growth, which would represent the highest target allocation of equity securities. Not all Risk/Return Profiles are available for all solutions.

ASSET ALLOCATION APPROACHES

Another element of establishing the Client's investment objective is to identify the Asset Allocation Approach(es). Each Portfolio Strategist and/or Investment Solution may be classified by GFWM based on their approach to asset allocation. However, some strategies within certain Investment Solutions, i.e. Altegris Strategies, and some Investment Solutions i.e. Individually Managed Accounts and Manager Select Accounts, may not be categorized into any one of these approaches. Additionally, the Client may select the Guided Portfolios which will allocate assets across some or all asset allocation approaches and may also include additional investment options including alternatives. The Client may select Investment Solutions for their Portfolio that represents a blend of different Asset Allocation Approaches.

The Strategic, Tactical Constrained and Tactical Unconstrained Asset Allocation approaches may be implemented with a Capital Appreciation objective or a Multi-Asset Income objective. Capital Appreciation objective seeks to maximize total return within the risk selected by the client. Multi-Asset Income objective seeks to deliver an enhanced level of current income from a range of asset categories. This objective seeks income generation as a primary objective, however also considers diversification and risk profile ranges as important components of portfolio construction. Multi-asset income strategies will take on risk in pursuit of their objectives as defined by the risk profile to which the objective is being managed.

The following four Asset Allocation Approaches are available.

Strategic Asset Allocation
- Seeks to optimize risk adjusted return while adhering to asset allocation parameters.
- Relative market exposure and market performance will be important to return results.

Tactical Constrained Asset Allocation
- Seeks to optimize risk adjusted returns while adhering to asset allocation parameters and utilizing tactical deviations from the mix in efforts to add additional value.
- Relative market exposure and market performance will be important to return results with further impact from tactical decision making.

Tactical Unconstrained Asset Allocation
- Seeks to optimize risk adjusted returns without regard to asset allocation parameters.
- Relative return exposure will vary over time and, as a result, the decisions made regarding the magnitude and types of asset class exposure taken over time will be important to return results, along with the performance of those asset classes.

Absolute Return Allocation
- Seeks to capture modest positive returns over time regardless of general market direction while managing broad market risk and correlation.
- Active investment decisions made with regard to specific asset class exposures and security selections will be important to return results along with performance of the selected investments.

Additional Investment Options
Alternative Investments seek to apply active investment strategies across a range of asset classes with the goal of achieving investment returns with limited correlation to traditional equity and fixed-income asset classes. Active investment decisions drive return results.

INVESTMENT SOLUTIONS

GFWM makes a number of different Investment Solutions available to Clients through the Platform. These include:

<u>Mutual Fund Accounts</u>

<u>ETF Accounts</u>

<u>Guided Portfolios</u>
- GPS Solutions
- GPS Select Solutions

<u>Privately Managed Accounts ("PMA"), including:</u>
- Individually Managed ("IMA") Accounts,
- Manager Select Accounts ("MSA"),
- GFAM Preservation Strategy,
- GFAM Fixed Income Accounts
- Consolidated Managed Accounts ("CMA")

<u>Unified Managed Accounts, including:</u>
- Genworth Multiple Strategies ("GMS") Accounts, and
- Active Return Opportunities ("ARO") Accounts

The following advisory services, also described in this brochure, are closed to new business.
- Variable Annuity Accounts
- Privately Managed Portfolios ("PMP") Accounts,
- GFAM Principal Return Exposure Strategy ("PRX")
- GFAM Strategy designed for use with LifeHarbor Income Certificate ("GFAM-LHIC")

The asset allocations created by Portfolio Strategists are comprised of (i) open-end mutual funds, (ii) Exchange Traded Funds (ETFs), which are baskets of securities, tracking a wide variety of market indexes, that are traded as individual securities on a national exchange, (iii) variable annuity sub-accounts with certain variable annuity issuers, and (iv) individual securities for Consolidated Managed Accounts. Each of these Investment Solutions is discussed in more detail in separate subsections below.

The Portfolio Strategists select and monitor the performance of the mutual funds, ETFs, variable annuity sub-accounts and securities within their asset allocations and will periodically adjust and rebalance the asset allocations in accordance with their investment strategies.

For time to time, GFWM may add or delete from the Platform:

a) The mutual funds, ETFs, variable annuity sub-accounts, and variable annuity issuers available through the Platform;

b) the investment managers used in the IMA Accounts;

c) Portfolio Strategists; and

d) other investment management firms providing asset allocations and asset selections for Platform Investment Solutions.

The Financial Advisory Firm reviews the Portfolio Strategists', investment managers' and investment management firms' decisions on behalf of the Client and makes or recommends investment decisions (depending upon the specific form of Client Services Agreement entered into between the Financial Advisory Firm and the Client) based on such analysis.

Additionally, the Client may establish an Account to hold "non-managed" assets (an "Administrative/Non-Managed Account"), including a Cash Alternative Account or a General Securities Account.

PORTFOLIO STRATEGISTS

GFWM establishes and will periodically review and confirm or adjust the guidelines provided to the investment management firms, referred to as Portfolio Strategists, who create the asset allocations under each of the Risk/Return Profiles. Altegris, an affiliate of GFWM, serves as the Portfolio Strategist for the Altegris Strategies and GFWM serves as the Portfolio Strategist for the GPS Solutions.

The Portfolio Strategists used in mutual fund, ETF, variable annuity, IMA and CMA Accounts are selected by GFWM in order to provide a wide range of investment options and philosophies to Financial Advisory Firms and their Clients. In constructing their asset allocations, each of the Portfolio Strategists will generally provide a range of asset allocations that will correspond to one or more of the four Asset Allocation Approaches and one or more of the six Risk/Return Profiles, ranging from "Conservative" to "Maximum Growth." The Portfolio Strategists use technical and/or fundamental analysis techniques in formulating their Asset Allocation Approaches and some will incorporate strategies with specific income distribution objectives. Although each of the Risk/Return Profiles includes asset allocations developed by several Portfolio Strategists, each of the Portfolio Strategists nevertheless has its own investment style resulting in the use of different asset classes, and mutual fund, ETF, variable annuity sub-account, or investment management firm options within their asset allocations. The Asset Allocation Approaches will be comprised of a combination of asset classes, represented by mutual funds, ETFs, variable annuity sub- accounts, or individual securities in Accounts, and these asset classes may include, but are not limited to the following:

- US equities – Large Cap Growth, Large Cap Value, Mid Cap Growth, Mid Cap Value, Small Cap Growth, Small Cap Value
- International equities – Developed Markets, Emerging Markets
- Fixed Income – US Core, High Yield, Global, International, Emerging Markets
- Other – REITs, Commodities, Absolute Return Strategies, hedging strategies and other non-standard sectors including alternatives.
- Cash

The objective is to provide Clients with a variety of asset allocation methods for accomplishing the Client's investment objectives. The Client and their Financial Advisors must review each Portfolio Strategist's investment style prior to making the election of which Portfolio Strategist and Asset Allocation Approach to follow for each Client Account under the Platform.

Portfolio Strategists will provide GFWM with instructions to rebalance (return back to policy mix) and/or reallocate (change the target mix) portfolios, either periodically or as they deem appropriate over time, depending on their specific Asset Allocation Approach and investment process. These adjustments to the asset allocations will result in transactions in accounts. The Financial Advisory Firm or the Client (depending on whether the form of Client Services Agreement is Discretionary or Non-Discretionary, respectively) instructs and directs that the Client's account be invested in accordance with all adjustments and rebalancing of the asset allocations identified on the Account Set-Up Form unless and until the Client or Financial Advisory Firm expressly terminates the automatic adjustment and rebalancing and/or executes written instructions to change the Portfolio Strategist or asset allocations in which the account is invested. In this way, the Client's account will be automatically traded to align with all adjustments and rebalancing made by the Portfolio Strategists of the asset allocations currently reflected on the Account Setup Form, unless and until the Client or Financial Advisory Firm (depending on the authority in the Client's Agreement) instructs otherwise. Client will receive notification of all transactions implemented in the account in compliance with the foregoing instructions on a periodic basis in the form of an account statement to be provided by the account Custodian. In addition, to the extent possible, GFWM accommodates same day trading recommendations from Portfolio Strategists. These changes are implemented for all client accounts, unless the account is pending any client-directed activity. Those accounts that are pending for client directed activity will be traded the next day to realign with the trading recommendations provided by the Portfolio Strategist the prior day. Upon any portfolio rebalancing by a Portfolio Strategist, change in Portfolio Strategist or asset allocation selection by the Client or Financial Advisory Firm, or any other transaction in the Client's Account, the transactions will be effected automatically through software administered by GFWM.

GFWM may from time to time add or remove a Portfolio Strategist in its discretion. As the Portfolio Strategists or GFWM identify other mutual funds, ETFs or investment management firms suitable for the Platform, GFWM may periodically add or remove mutual funds, ETFs or investment management firms to those available for use in the Portfolio Strategists' asset allocations. Variable annuity sub-accounts available to the Portfolio Strategists will depend upon the individual variable annuity issuer selected by the Client and will be more fully described in the Prospectus delivered to the Client by the variable annuity issuer.

Although most of the Portfolio Strategists creating asset allocations composed of mutual funds consider all of the mutual funds available under the Platform in designing their asset allocations, certain Portfolio Strategists compose their mutual fund asset allocations utilizing only those mutual funds managed by affiliates of the Portfolio Strategist. These "proprietary" Portfolio Strategists will be identified in factsheets or other descriptive materials provided to Clients and Financial Advisory Firms. In addition, one or more of the Portfolio Strategists will construct their asset allocations using funds managed by GFWM or an affiliate, including the GuideMark and GuidePath Funds and funds which are managed by Altegris, (the "Altegris Advised Funds"). GFWM and Altegris advised mutual funds are collectively known as "Proprietary/Affiliated Funds". The GuideMark and GuidePath Funds are a series of no-load mutual funds advised by GFWM and sub-advised by a group of institutional investment managers. Both Altegris and GFWM serve as Portfolio Strategists and they both use Proprietary/Affiliated Funds in their respective Strategies. A Prospectus for the Proprietary/Affiliated Funds may be obtained upon request from GFWM or your Financial Advisor, who is a representative of the Financial Advisory Firm. Please review and consult with your Financial Advisor if you have further questions regarding these Funds.

GFWM makes available to the Financial Advisory Firm and the Financial Advisor written descriptions of each of the Portfolio Strategists, including a brief history of each firm and an overview of the Portfolio Strategists' key investment management personnel, which the Financial Advisor may share with the Client. The Client and Financial Advisory Firm may select more than one Portfolio Strategist and/or asset allocation for the Client's Accounts, and, as noted above, the Client and Financial Advisory Firm are free to change Portfolio Strategists, asset allocations or the mutual fund, ETF or variable annuity sub-account components of their Portfolios from time to time, though any change by a Client in the components of a specific asset allocation used for a Client's Account will result in a custom portfolio for that Account which would no longer be automatically rebalanced along with the Portfolio Strategist's rebalancing of its asset allocation. The Client is free to consult with the Financial Advisory Firm at any time concerning the portfolio, and GFWM is available to consult with Clients and Financial Advisory Firms concerning the administration of the Platform. It is not anticipated that Clients or Financial Advisory Firms will have the opportunity to consult directly with the Portfolio Strategists concerning their asset allocation Strategies, although the Financial Advisory Firms will be provided with information concerning such Strategies and any updates or revisions to such information.

MUTUAL FUNDS AND EXCHANGE TRADED FUND ACCOUNTS

GFWM has developed relationships with a group of mutual fund families, through its Custodian partners, representing a variety of mutual funds to be used as the vehicles for implementing the Portfolio Strategists' asset allocations. These mutual funds include both no-load mutual funds (that is funds which do not include a sales load) and mutual funds that generally do charge a sales load, but where the sales charge has been waived. The mutual funds available provide the Portfolio Strategists with a diversified range of asset classes and investment objectives from which to select in structuring their asset allocation strategies. The mutual fund families made available for use by the Portfolio Strategists are selected based on a number of criteria, and fund families may be added or removed from the Platform by GFWM from time to time.

MUTUAL FUND INVESTMENT SOLUTIONS

In the Mutual Fund Investment Solution, all four Asset Allocation Approaches are available. Information regarding the Investment Solutions and the Portfolio Strategists available for each of the Asset Allocation Approaches is available from your Financial Advisor.

For a Mutual Fund Investment Solution, the Client, with the assistance of the Financial Advisory Firm, selects for the management of the Account: (1) a Risk/Return Profile; (2) an Asset Allocation Approach, as represented by the selected Portfolio Strategist; and (3) for some, but not all Mutual Fund solutions, a Mandate. For certain mutual fund strategies where Altegris is the Portfolio Strategist, an asset allocation approach is not selected.

All mutual funds purchased for the Client's Portfolio are held by a Custodian selected by the Client and the Financial Advisory Firm. Each of the Client's investments is held by the Custodian in the Client's name in a separate account. The Client is entitled to receive a copy of the Prospectus for each mutual fund, and confirmations of each security purchased and sold for the Client's account (either separately or as part of the periodic custodial statement) and copies of all annual and periodic reports issued by the mutual funds the Client holds, and the Client may be able to delegate receipt of such materials and confirmations to a third party, such as the Client's Financial Advisory Firm, depending on the terms of the custody agreement with the Client's Custodian. In addition, the Client retains all indicia of beneficial ownership, including, without limitation, all voting power and other rights as a security holder in each of the funds held for the Client.

ETF INVESTMENT SOLUTIONS

In the ETF Investment Solution, all four Asset Allocation Approaches are available.

For an ETF Investment Solution, the Client, with the assistance of the Financial Advisory Firm, selects for the management of the Account: (1) a Risk/Return Profile; (2) an Asset Allocation Approach, as represented by the selected Portfolio Strategist; and (3) for some, but not all ETF Investment solutions, a Mandate.

GFWM has also developed an administrative structure allowing for the development of portfolios using ETFs, which are traded daily at market determined prices on a national exchange in a similar manner to other individual equity securities. Some ETF solutions may also invest in exchange traded notes ("ETNs"), which are senior, unsecured debt securities issued by an underwriting bank. Although ETFs are priced intra-day in the same manner as other equity securities, GFWM typically directs trades for ETFs to the Custodian selected by the Client and the Financial Advisory Firm once daily. The actual timing of trade order execution may vary, depending upon trade volume, systems limitations and issues beyond GFWM's control, and the actual fulfillment of trade orders by the broker in the market may take place at different prices and different times throughout the day. GFWM submits ETF trades for a given day to each broker in a random order to provide the most feasibly equivalent execution for all participating Clients. With respect to ETF Accounts which may include ETFs for which it may be impracticable to execute transactions in a single day in response to a Portfolio Strategist's adjustments and rebalancing of its ETF asset allocation model, the Client also hereby instructs, authorizes and directs that such Accounts be traded in accordance with instructions on timing and price levels given by GFWM to the Custodian, which GFWM may obtain from the Portfolio Strategist to the extent practicable or, in the case of exceptionally high volume requests, in accordance with instructions provided by GFWM to an alternate broker or "authorized participant" liquidity provider selected by GFWM with the instruction to provide liquidity on a net fee basis.

All ETFs purchased for the Client's Portfolio are held by a Custodian selected by the Client and the Financial Advisory Firm. Each of the Client's investments is held by the Custodian in the Client's name in a separate account. The Client is entitled to receive a copy of the Prospectus for each ETF, and confirmations of each security purchased and sold for the Client's account (either separately or as part of the periodic custodial statement) and copies of all annual and periodic reports issued by the ETFs the Client holds, and the Client may be able to delegate receipt of such materials and confirmations to a third party, such as the Client's Financial Advisory Firm, depending on the terms of the custody agreement with the Client's Custodian. In addition, the Client retains all indicia of beneficial ownership, including, without limitation, all voting power and other rights as a security holder in each of the funds held for the Client.

GUIDED PORTFOLIOS

GPS Solutions

For the GPS Solutions, GFWM, as the Portfolio Strategist will allocate across the asset allocation approaches based upon the Client's investment objectives, market outlook, risk profile & other preferences. The GPS Solutions primarily utilize Proprietary Funds.

The variety of strategies and investment allocations are pre-set using a mix of Strategic, Tactical Constrained, Tactical Unconstrained, and Absolute Return Asset Allocation Approaches. The GPS Solutions may also have exposure to alternative investment mutual funds. With the assistance of the Financial Advisor, the Client's selected GPS Solution will also take into account the Client's investment objective, if the client is in an accumulation or distribution phase, or seeks to use the GPS Solutions as a focused strategy in order to complement other Investment Solutions selected for the Client Portfolio.

Investment Objective: Accumulation vs. Distribution

An accumulation objective typically refers to investors that are still working and seeking to build their wealth base. A distribution objective typically refers to investors who are in or near retirement and seeking to take withdrawals from their asset base over time.

- *Accumulation Objective.* Strategies are allocated with a blended mix of Asset Allocation Approaches along with an allocation to Alternative Investment asset classes.
- *Distribution Objective.* Strategies are allocated with a blended mix of Asset Allocation Approaches along with an allocation to Alternative Investment asset classes with a generally greater allocation to the Absolute Return asset allocation approach than strategies seeking an Accumulation objective, as well as an allocation toward multi-asset income strategies.

Focused GPS Solution

Focused strategies provide a means for clients to access pre-set strategies based primarily on the client's risk profile and their desire for focused exposure to one or more Asset Allocation approaches used to complement other Investment Solutions selected for the Client Portfolio. These include either a combination of Strategic Asset Allocation and Tactical Constrained Asset Allocation approaches (referred to as Relative Return), or either specific or a combination of Tactical Unconstrained and Absolute Return asset allocation approaches.

- *Relative Return Focused*. Strategies are generally allocated to the Strategic Asset Allocation and Tactical Constrained Asset Allocation approaches in a blended mix. (Closed to new business effective January 2013)
- *Unconstraied Return Focused*. Strategy is allocated solely to the Tactical Unconstrained asset allocation approach.
- *Unconstrained/Absolute Return Focused*. Strategies are allocated to the Tactical Unconstrained and Absolute Return asset allocation approaches in a blended mix.
- *Absolute Return Focused*. Strategy is allocated solely to the Absolute Return Asset Allocation approach.
- *Multi-Asset Income Focused.* Strategies are allocated to the Strategic, Tactical Constrained, Tactical Unconstrained and Absolute Return asset allocation approaches, primarily through the GuidePath Multi-Asset Income Fund as well as potential exposure to the GuidePath Tactical Constrained, and Absolute Return Funds.

GPS Select Solutions

GPS Select Solutions will invest in pre-determined allocations to various Asset Allocation Approaches and additional investment options and within each Asset Allocation approach, will make allocations to various Portfolio Strategists and Investment Managers, including Altegris Advisors and GFAM.

GPS Select Solutions will invest in Strategies which include investments in both mutual funds and ETFs. Mutual fund share class is selected on a fund by fund basis and seeks to eliminate 12b-1 fees where possible. GFWM will seek to use non-retail or institutional classes where these share classes are available. In striving for consistency across all custodial options on the Platform, GFWM will seek to select the lowest cost share class available across custodians and that aligns the stated program account minimum and allocation weighting of funds held with the fund's prospectus requirements. Due to specific custodial or mutual fund company constraints, there may be situations where a specific share class not consistently available. In those cases, clients will be invested in the lowest cost share class that is commonly available across custodians.

Clients may select from the following GPS Select Solutions:

- *Select Wealth Preservation.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained & Absolute Return Asset Allocation approaches. This strategy is designed for wealth preservation and protection from inflation.
- *Select Accumulation & Select Accumulation Plus.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained, Tactical Unconstrained & Absolute Return Asset Allocation approaches, in addition to an allocation to Alternatives. Select Accumulation will tend to emphasize ETFs and is designed for capital appreciation. Select Accumulation Plus will tend to use more actively managed mutual fund strategies and is designed for capital appreciation.
- *Select Retirement Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained, Tactical Unconstrained & Absolute Return Asset Allocation approaches, in addition to an allocation to Alternatives. Strategist selection will be focused toward strategists managing to a multi-asset income mandate where available. This strategy is also designed to provide an enhanced level of income and to control portfolio volatility.

Focused GPS Select Solutions are based primarily on the client's risk profile and the Client's desire for focused exposure to one or more Asset Allocation approaches used to complement other Investment Solutions selected for the Client Portfolio.

- *Select Low Volatility.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Absolute Return Asset Allocation approach. This focused investment strategy targets low volatility.
- *Select Tactical Advantage.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Tactical Unconstrained Asset Allocation approach. This focused investment strategy seeks to increase portfolio diversification through less correlated strategies and by capturing opportunities across evolving markets.
- *Select Multi-Asset Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Multi-Asset Income Mandate spanning the Strategic, Tactical Constrained & Tactical Unconstrained Asset Allocation approaches. This focused investment strategy seeks to provide an enhanced level of income across changing markets.

GFWM manages GPS Select Solutions using limited discretionary authority. While GFWM will exercise limited discretion on the portfolio asset allocation within portfolio investment sleeves, GFWM relies upon the strategists to conduct security selection. As mentioned above GFWM will seek to utilize the lowest cost mutual fund for accounts in the GPS Select Solutions, however, there may be circumstances where GFWM is not able to obtain the lowest cost mutual fund share class available, and may be considered to have exercised "discretion" in selecting an alternative share class.

PRIVATELY MANAGED ACCOUNTS

A Privately Managed Account can be established as an Individual Managed Account, Manager Select Account, GFAM Principal Return Exposure Strategy, GFAM Preservation Strategy, GFAM Fixed Income Account, a Consolidated Managed Account, or a Unified Managed Account.

INDIVIDUAL MANAGED ACCOUNT ("IMA")

A Privately Managed Account can be established as an:

- Individual Managed Account ("IMA"),
- Manager Select Account ("MSA"),

- GFAM Principal Return Exposure Strategy ("PRX"), (This strategy is closed to new business),
- GFAM Preservation Strategy,
- GFAM Fixed Income Account,
- GFAM Strategy designed for use with LifeHarbor Income Certificate (GFAM-LHIC) (This strategy is closed to new business), or a
- a Consolidated Managed Account ("CMA"), or a
- Unified Managed Account ("UMA").

GFWM has contracted with third party investment management firms to act as "Investment Managers" for client accounts. For certain PMA solutions and GPS Select Solutions, GFAM and GFWM may also act as the "Investment Manager". The Investment Manager will provide discretionary investment management services to the Account and the Client grants the Investment Manager the authority to buy and sell securities and investments for the Account, vote proxies for securities held by the Account and such other discretionary authorities described later In the Agreement. The Investment Manager may also be referred to as a "Discretionary Manager" or "Overlay Manager" in the instance of the Manager Select and CMA Investment Solutions.

Individually Managed Account ("IMA")

GFWM has contracted with a number of institutional investment management firms (the "Investment Managers") to provide discretionary investment management services to IMA Clients in accordance with the stated investment objectives of each Investment Manager and the individual objectives of each Client. GFWM has contracted with certain consulting firms to provide services for IMAs with respect to the selection and/or on-going monitoring of certain Investment Managers.

Each Client, with the assistance of the Financial Advisory Firm and based on the Client's individual investment objectives, designates one or more individual Investment Manager(s) and/or a selection of Mutual Funds to comprise the Client's IMA. With the exception of IMA Accounts managed by Rochdale Investment Management, L.L.C., there are no Asset Allocation Approaches or separate Risk/Return Profiles available for an IMA Account. IMA Accounts managed by Rochdale are available in the Tactical Unconstrained Asset Allocation Approach and the six Risk/Return Profiles, as described above under Risk/Return Profiles.

Manager Select Account ("MSA")

For the MSA Investment Solution, GFWM has contracted with an "Overlay Manager" to act as the Investment Manager (or Discretionary Manager) for Client Accounts. The Overlay Manager shall provide discretionary investment management services to the Account, and the Client grants the Overlay Manager the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities. GFWM has also contracted with an Investment Management Firm to provide recommendations for a specific asset class. The Overlay Manager shall generally invest the Account consistent with these recommendations unless circumstances indicate that modified allocations or investment are appropriate. GFWM may replace the Overlay Manager and Investment Manager Firm at its discretion.

For an MSA Investment Solution, the Client, with the assistance of their Financial Advisor, shall select a Strategy, which shall be an asset class, represented by a single Investment Management Firm. There are no Asset Allocation Approaches or separate Risk/Return Profiles available for an MSA Account.

GFAM Preservation Strategy

The primary investment objective of the Preservation Strategy is to avoid a calendar year loss. Intra-year volatility and performance may vary and are independent of the Strategy's primary investment objective. There is no guarantee that the Strategy's primary investment objective will be met in all market conditions. The secondary objective is to maximize total return over the long term with no preference to income. This strategy may invest in, among other things, "opportunistic" or "specialized asset categories, which may include real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions. The GFAM Preservation Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 1.

GFAM Fixed Income Accounts

For a GFAM Fixed Income Account Investment Solution, the Client, with the assistance of their Financial Advisor, shall select a Mandate for the management of their account. There are no Asset Allocation Approaches or separate Risk/Return Profiles available for a GFAM Fixed Income Account.

Laddered Bond. These Strategies invest the Account in either U.S. Treasury, U.S. Agency, or U.S. Treasury Inflation Protected bonds, with an intermediate effective duration, on a buy and hold basis.

Municipal, Duration based and High Yield Mandates. These Strategies invest the Account in closed-end funds, exchange traded funds or other mutual funds to obtain relevant exposure specific to these desired asset categories.

Consolidated Managed Account ("CMA")

For Clients selecting a CMA Investment Solution, GFWM has contracted with Parametric Portfolio Associates ("Parametric") to act as the Overlay Manager, and provide limited discretionary investment management services to the Account and coordinate the management of individual securities and asset allocations. The CMA asset allocations have been constructed by Portfolio Strategists engaged by GFWM using individual securities recommendations developed and maintained by a group of third-party investment management firms (the "Investment Management Firms"). The Overlay Manager will have the limited discretionary authority to execute transactions in each Account necessary to (i) track any reallocations or other adjustments to the CMA asset allocations constructed by the Portfolio Strategists, (ii) implement changes recommended by the Investment Management Firms; (iii) effect tax management transactions for any Account for which the Client has directed the Overlay Manager to provide tax management services (a "Tax-Sensitive Account"); and (iv) implement any individual securities restrictions imposed on the Account by the Client. In addition, the Client, with the assistance of their Financial Advisory Firm, will select a "Mandate" from a range of choices.

For the CMA Investment Solution, GFWM has contracted with Portfolio Strategists, which GFWM may replace in its discretion, to provide asset allocations, consistent with the Asset Allocation Approach and Risk/ Return Profile, by which the Overlay Manager intends to invest the Account, unless circumstances indicate that modified allocations or investments are appropriate. The Client may specify the initial Portfolio Strategist for the Account and will be given notice of any change to that Portfolio Strategist. GFWM may remove, replace or add to the Portfolio Strategists on the Account in its discretion.

Each client selects an Asset Allocation Approach, with the assistance of the Financial Advisory Firm based on the Client's individual investment objectives, and designates Parametric as the Overlay Manager to oversee the implementation and management of the asset allocation including the allocation of assets into a number of model accounts developed and maintained by the Investment Management Firms.

UNIFIED MANAGED ACCOUNT ("UMA")

GFWM manages UMA Investment Solutions through GFAM whereby GFAM serves as "Overlay Manager" and may also be referred to as "Discretionary Manager." As Overlay Manager for the UMA Investment Solutions, GFAM provides discretionary investment management services and coordinating recommendations of independent Investment Management Firms acting as portfolio advisers to GFWM. As Overlay Manager for UMAs, GFAM may also select securities directly for Client Accounts.

For UMA Investment Solutions, GFAM employs comprehensive analysis, including specific mathematical, technical and/or fundamental tools and risk-control criteria in the management of Client Accounts. The focus of GFAM as Overlay Manager is to add value to each Client's account through: (1) the strategic and tactical determination of asset allocation levels; (2) the selection of independent Investment Management Firms to advise as to the formation of portfolios of their highest conviction individual security preferences; (3) the formation of portfolios with risk management options to match the portfolio to the Client's chosen level of risk tolerance; and (4) efficient execution of trade orders resulting from ongoing management of the Client's Account.

As part of the UMA Discretionary Manager Designation, Client will direct the GFAM to invest the Client's Account in accordance with a strategy offered by GFAM. UMA Investment Solutions include Genworth Multiple Strategy (GMS), and Active Return Opportunities (ARO). Investments will be in made in part by GFAM using securities recommendations by individual Investment Management Firms and, in addition, investment selections by GFAM that include, but are not limited to, some or all of the following types of securities: exchange traded funds, closed-end mutual funds, open-end mutual funds, preferred stocks, treasury bonds, bills, notes and bank notes. The asset allocation decisions, Investment Management Firm selection decisions and additional security selection decisions will all be made solely by GFAM in its discretion. This discretion may include the substitution of certain securities included in selected Investment Management Firms' asset allocations in consultation with the Investment Management Firm or otherwise, or the selection of individual securities in certain designated asset classes.

For each UMA, risk management solutions may be implemented through the use of fixed income strategies Portfolio allocations will vary based on individual Client objectives within target allocations established and monitored by GFAM.

Set forth below are brief summaries of the GMS and ARO UMA strategies offered under the Platform. The GFAM Disclosure Brochure section includes more detailed information about Investment Solutions offered through GFWM's GFAM Division.

GMS. For a GMS Investment Solution, the Client, with the assistance of their Financial Advisory Firm, will select a "Mandate", a Risk/Return Profile and a fixed income risk management strategy for the management of their Account. In the GMS Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. GFAM may invest the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms. GFWM may also invest portions of the Account in pooled investment vehicles, such as mutual funds or ETFs, or in other securities or investments. GFWM will generally not adjust the holdings in a GMS Account on an ongoing basis. Instead, unless a security is subject to a corporate action such as an acquisition, GFWM will generally only sell or readjust Account holdings after a one-year holding period for each position taken for all GMS Accounts, though during the first year of an individual Client's holding a GMS Account, the holding period for that Client's Account will be less than a full year. However, because of its annual adjustment structure, a GMS Account is less able than a non-GMS Account to react to market events or opportunities, and make changes between adjustment dates.

ARO. For an ARO Investment Solution, the Client, with the assistance of their Financial Advisory Firm, will select a Risk/Return Profile for the management of their Account.

In the ARO Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. GFAM may invest the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms, or GFAM may invest the Account in pooled investment vehicles, such as mutual funds or ETFs, or in other securities or investments. GFAM will generally adjust the holdings in an ARO Account on an ongoing basis. If the Account is a taxable account, the management of the Account will include a loss-harvesting strategy and, at GFAM's sole discretion, Account assets may be sold to realize capital value losses.

The ARO Global Mandate allows for the Account to be exposed to "opportunistic" or "specialized" asset categories, which may include real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions.

ASSETS UNDER MANAGEMENT

As of 12/31/2012, GFWM had $9.3 billion in assets under administration on the GFWM Platform. This includes investments in proprietary mutual funds and GFAM investment solutions, in which GFAM is the discretionary manager.

ADMINISTRATIVE ACCOUNTS

The Client may establish an Account to hold "non-managed" assets (an "Administrative/Non-Managed Account"), and such Account may include a Cash Alternative Account or General Securities Account. An Administrative/Non-Managed Account is provided as an administrative convenience for the Client. Assets in an Administrative/Non-Managed Account are not managed or advised by GFWM, and GFWM is not responsible for their investment or management. However, the assets of an Administrative/Non-Managed Account will be included in periodic GFWM reports to the Client. The Client will be solely responsible for directing the investments in the Non-Managed Account. Non-Managed assets are subject to the terms of the Client's agreement with their selected Custodian.

Cash Alternative Account. In the Cash Alternative Account, the Client may select among options available at their selected Custodian, which may include investments in a Money Market Fund or the Custodian's cash sweep vehicle.

General Securities Account. In the General Securities Account, the Client may move to the Account those equity or fixed-income securities acceptable to their selected Custodian. No securities may be purchased in this Account. The Client will be solely responsible for directing the sale of investments in the Account. Administrative Fees will not be charged against the assets of a General Securities Account. Any Administrative Fee or other fees payable shall be charged to another Account established under this Agreement or directly to a bank account via the Automated Clearing House (ACH) process, if available.

SOLUTIONS NO LONGER OFFERED

Variable Annuity Investment Solution. In the Variable Annuity Investment Solutions, through its GFAM division, GFWM's investment of the Account will be consistent with a Tactical Constrained Asset Allocation approach only.

For the Variable Annuity Investment Solution, the client, with the assistance of the Financial Advisory Firm, selects for the management of the Account: (1) a Risk/Return Profile; and (2) an Asset Allocation Approach, as represented by the selected Portfolio Strategist.

Clients establishing variable annuity accounts in the Platform have the opportunity to select asset allocations developed by GFWM's Genworth Financial Asset Management ("GFAM") division as the Portfolio Strategist. The allocations use those specific variable annuity sub-accounts included in the Prospectus delivered to the Client by the variable annuity issuer. GFWM has not individually selected these sub-accounts, and GFWM is unable to add or remove sub-accounts except as the list of sub-accounts is revised by each variable annuity issuer.

The Client retains all indicia of beneficial ownership, including, without limitation, all voting power and other rights as a security holder in each of the funds held for the Client. Variable annuity sub-accounts will be held pursuant to the terms and conditions contained in a variable annuity Prospectus delivered to the Client by the specific variable annuity issuer. [This strategy is closed for new business.]

Principal Return Exposure ("PRX") Strategy. The objective of the PRX Strategy is to offer clients a degree of participation in the growth of global equity markets while protecting their original principal investment. In pursuit of this objective GFAM will invest in Equity-Linked Certificates of Deposit (ELCDs). The ELCDs purchased will be those issued by well-known commercial banks, and only those eligible for FDIC insurance protection will be considered for client portfolios. The ELCD's will require a medium-term commitment by the client (typically five years), and will have a guarantee of return of principal at the end of the commitment. The ELCDs will also pay a lump-sum income payment at the end of the commitment, proportional to the amount of growth in global equity markets over the commitment period. Withdrawal of assets by the client prior to the end of the ELCD maturity may result in loss of principal. The PRX Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 2. [This strategy is closed for new business.]

GFAM Solutions Designed For Use With LifeHarbor Income Certificate ("GFAM-LHIC"). The primary objective of these Strategies is to seek capital appreciation through tactical asset allocation across domestic and international equity and fixed income markets, through the use of ETFs and mutual funds. The Client shall select a Mandate for the management of their Account and a Risk/Return Profile 3 or 4. There are no Asset Allocation Approaches designated for this Investment Solution. For more information regarding the LifeHarbor Series, please refer to the LifeHarbor Series Prospectus and Statement of Additional Information. [This strategy is closed for new business.]

Privately Managed Accounts (PMP). In the PMP Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. GFAM may invest the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms. GFAM will generally adjust the holdings in a PMP Account on an ongoing basis.

FEES AND COMPENSATION

The fees applicable to each Account on the Platform may include:

1. Advisory Fee, which consists of the Financial Advisor's Fee plus the GFWM Platform Fee ("GFWM Fee" or "Platform Fee")
2. Investment Manager Fee
3. Initial Consulting Fees;

Other fees for special services may also be charged. The Client should consider all applicable Account fees.

Each Client Account pays an Account Fee. If a Client has more than one Account on the Platform, the total of their Accounts Fees is referred to as their Portfolio Fee. The Account Fee includes the Advisory Fee plus any Investment Manager Fee.

Advisory Fee

The Advisory Fee includes the Financial Advisor's Fee and the Platform Fee, which is paid to GFWM for use of the Platform. GFWM's standard Platform Fees and other fee arrangements for each Investment Solution are described below.

The Advisory Fee is typically expressed as an annual amount equal to a percentage of assets under management, and may also include an initial consulting fee. The Platform Fee schedules listed below reflect GFWM's standard Platform Fee, calculated as a percentage of the Client's assets invested in the Platform. This standard Platform Fee schedule may not apply to all Financial Advisory Firms.

The Platform Fee may be higher for certain Financial Advisory Firms based on any amounts payable to broker-dealers with supervisory responsibility over the Financial Advisory Firm. In such cases, the standard Platform Fee payable by the Financial Advisory Firm may be increased and a portion of the Platform Fee otherwise payable to GFWM is paid to the broker-dealers as compensation for supervisory services provided to the Financial Advisory Firm in connection with the Platform. The Financial Advisory Firm may also pay GFWM a Quarterly Maintenance Fee in consideration of GFWM's performance of services in establishing the Financial Advisory Firm's participation in the Platform and providing continuing Platform support services. In addition, a portion of the Platform Fee may be paid as compensation to the Portfolio Strategists based on the assets invested in their respective asset allocations, as well as to the Overlay Manager and Investment Management Firms for services in connection with Manager Select, CMAs and UMAs.

Investment Manager Fee

Clients invested in third-party IMA and UMA Investment Solutions may also pay an Investment Manager Fee to the Investment Manager(s) that the Client designates to manage Client's Account. Investment Manager Fees are set forth on the Client Billing Authorization. For more information refer to the Privately Managed Accounts Fee Disclosure section below.

GFWM PLATFORM FEE SCHEDULES

MUTUAL FUND &, ETF ACCOUNTS					
ACCOUNT ASSET LEVEL	PROPRIETARY/ AFFILIATED MUTUAL FUNDS[1]	THIRD-PARTY MUTUAL FUNDS	ETF ACCOUNT: STRATEGIC & TACTICAL CONSTRAINED	ETF ACCOUNT: TACTICAL UNCONSTRAINED	
				ETF I[2]	ETF II[2]
First $ 250,000	0.00%	0.45%	0.45%	0.65%	0.90%
$ 250,000 - $ 500,000	0.00%	0.40%	0.45%	0.60%	0.85%
$ 500,000 - $ 1,000,000	0.00%	0.35%	0.45%	0.55%	0.80%
$ 1,000,000 - $ 2,000,000	0.00%	0.30%	0.40%	0.50%	0.75%
$ 2,000,000 - $3,000,000	0.00%	0.20%	0.40%	0.40%	0.70%
$ 3,000,000 - $ 5,000,000	0.00%	0.20%	0.35%	0.40%	0.70%
Over $ 5,000,000	0.00%	0.20%	0.25%	0.40%	0.70%

In addition to the rates described in the above tables, an additional fee of up to 0.20% annually may be deducted from Client Account assets and paid certain Financial Advisory Firms, if the Account is invested in a Mutual Fund, ETF, Distribution Strategies, Variable Annuity, Manager Select, Third-Party IMA or CMA Investment Solution.

0.15% is added to the standard Platform Fee for mutual fund and ETF Accounts maintained at Charles Schwab. Platform fees are waived for Investment Solutions comprised of the Proprietary/Affiliated Funds.

GUIDED PORTFOLIOS (NET FEES)		
ACCOUNT ASSET LEVEL	GPS SOLUTIONS[3]	GPS SELECT SOLUTIONS[4]
First $ 250,000	0.00%	0.65%
$ 250,000 - $ 500,000	0.00%	0.65%
$ 500,000 - $ 1,000,000	0.00%	0.60%
$ 1,000,000 - $ 2,000,000	0.00%	0.55%
$ 2,000,000 - $3,000,000	0.00%	0.45%
$ 3,000,000 - $ 5,000,000	0.00%	0.40%
Over $ 5,000,000	0.00%	0.35%

[1] Altegris serves as strategist for the Altegris Diversified Alternatives (previously known as Multi-Strategy) and Altegris and GFWM serve as advisor for the funds used within the Strategy. For the Altegris Diversified Alternatives, an annual GFWM Fee of 0.45% is charged and Altegris and GFWM also earn varying management fees for the different funds used within the Strategy. The 0.45% GFWM Fee is credited back to you, resulting in a net GFWM Fee of 0.00% to your account for assets invested in the Strategy. The purpose of the 0.45% fee credit is to ensure that regardless of the fund allocation decisions made by Altegris as strategist, the client will receive a GFWM Fee credit that is at least as much as any additional management fees Altegris and GFWM might receive on the mutual funds invested in the Strategy for any fund allocation that Altegris is permitted to make pursuant to the Strategy investment guidelines.

[2] ETF I - Stadion; ETF II - F-Squared

[3] Proprietary/Affiliated mutual funds are used in GPS Solutions.

[4] GFWM serves as investment manager for GPS Select Solutions. For GPS Select Solutions, an annual GFWM Fee of 0.95% is charged. GFWM pays fees to various Strategists and IMAs, including Altegris. When a GFAM IMA is used, the GFAM fees are waived. For the reasons provided below, 0.30% of the GFWM Fee is credited back to you, resulting in a net GFWM Fee of 0.65% charged to your account for assets invested in the GPS Select Solutions. The purpose of the 0.30% fee credit is to ensure that regardless of the Strategist or IMA allocation decisions made by GFWM, the client will receive a GFWM Fee credit that is at least as much as any additional management fees GFWM or its affiliates might receive on the allocations that GFWM is permitted to make pursuant to the GPS Select Solution investment guidelines. There are no separate custody fees for the GPS Solutions and GPS Select Solutions.

PRIVATELY MANAGED ACCOUNTS (IMA AND CMA)					
ACCOUNT ASSET LEVEL	THIRD-PARTY IMA	GFAM PRESERVATION	GFAM FIXED INCOME	CMA	MANAGER SELECT
First $ 250,000	0.45%	0.75%	0.45%	0.80%	0.90%
$ 250,000 - $ 500,000	0.45%	0.50%	0.45%	0.80%	0.90%
$ 500,000 - $ 1,000,000	0.45%	0.50%	0.35%	0.80%	0.90%
$ 1,000,000 - $ 2,000,000	0.40%	0.45%	0.25%	0.75%	0.85%
$ 2,000,000 - $3,000,000	0.40%	0.45%	0.25%	0.75%	0.85%
$ 3,000,000 - $ 5,000,000	0.35%	0.40%	0.25%	0.70%	0.80%
Over $ 5,000,000	0.25%	0.30%	0.20%	0.65%	0.75%

Additional third-party IMA fees may apply.

UMA ACCOUNTS (GMS, PMP & ARO)[5]		
ACCOUNT ASSET LEVEL	GMS	ARO GLOBAL
First $100,000	0.40%	0.65%
$100,000 to $250,000	0.25%	0.65%
$ 250,000 - $ 500,000	0.20%	0.45%
$ 500,000 - $ 1,000,000	0.15%	0.40%
$ 1,000,000 - $ 2,000,000	0.10%	0.40%
$ 2,000,000 - $3,000,000	0.10%	0.40%
$ 3,000,000 - $ 5,000,000	0.10%	0.40%
Over $ 5,000,000	0.00%	0.25%

[5] The above UMA accounts managed by GFAM include: Genworth Multiple Strategies ("GMS"), Privately Managed Portfolios ("PMP") and Active Return Opportunities ("ARO"). In addition to the Platform fee shown above, there is a flat 0.60% Investment Manager Fee for UMA accounts.

Initial Consulting Fee

An Account invested in any of the above listed Investment Solutions may be assessed an Initial Consulting Fee ("ICF") if the Account is custodied at Genworth Financial Trust Company ("GFTC"), an Arizona trust company that is an affiliate of GFWM. The ICF is payable to the Financial Advisory Firm, up to one percent (1.00%) of any cash deposit or in-kind investment transfer of $2000 or more.

The fees are described as follows:

1. The Advisory Fee consists of the Financial Advisor Fee plus the GFWM Fee
2. The Account Fee consists of the Advisory Fee plus the Investment Manager Fee(s)
3. The Portfolio Fee is the sum total of all Account Fees

The Advisory Fee, any initial consulting fee payable upon opening an Account or upon any additional investment in an Account and any additional Investment Manager fee payable for a Client's Account will be set forth in the Client Billing Authorization executed with the Client Services Agreement between the Client and Financial Advisory Firm.

Cash Alternative and General Securities Accounts will be charged the following Administrative Fee:

ADMINISTRATIVE FEE FOR ADMINISTRATIVE/ NON-MANAGED ACCOUNTS	
ACCOUNT ASSET LEVEL	CASH ALTERNATIVE AND GENERAL SECURITIES ACCOUNTS
First $ 250,000	0.25%
$ 250,000 - $ 500,000	0.15%
Over $500,000	0.10%

<u>Mutual Fund Accounts Fee Disclosure</u>

In the event that the Client's Account is invested in certain Portfolio Strategists' asset allocations comprised primarily of the GuideMark and GuidePath Funds, GFWM and CBC will receive compensation as the Investment Adviser and Distributor, respectively. The Prospectus for the GuideMark and GuidePath Funds, will be provided to each Client invested in such asset allocations or may be obtained by request from the Financial Advisory Firm or CBC. Because of this separate compensation from the GuideMark and GuidePath Funds, GFWM waives the standard Platform Fee charged to the Financial Advisory Firm for assets invested in the GuideMark and GuidePath Funds.

<u>Privately Managed Accounts Fee Disclosure</u>

Third-party IMAs. Each of the Investment Managers may charge a separate Investment Manager Fee directly to the Client, calculated as a percentage of the total assets managed by the Investment Manager, which is in addition to the overall investment Advisory Fee negotiated between the Client and the Financial Advisory Firm. The fee charged by each Investment Manager is specified on the individual Discretionary Manager Designation incorporated in the Client Services Agreement and executed by the Client. Fees will vary from Investment Manager to Investment Manager; a complete list of fee schedules of the Investment Managers participating in the Platform is available from the Financial Advisory Firm by request.

CMAs, Manager Select and UMAs. The Platform Fee for CMA's and UMA's includes all fees paid by GFWM to Parametric for its services as the Overlay Manager for CMAs and Manager Select, and all compensation to GFAM as the Overlay Manager for UMAs. It also includes all fees paid to the Portfolio Strategists and to Investment Management Firms for their asset allocations and asset selections.

Certain mutual funds selected for Client Accounts may include Proprietary/Affiliated Funds and the Genworth Financial Contra Fund from which GFWM or its affiliates may receive additional compensation as described here in addition to fees paid to GFWM under this Agreement. GFWM may receive management and other fees for both its management of these funds as well as the Client Account.

<u>Service Fees Received by GFWM</u>

The Account Custodians typically receive a shareholder servicing and/or similar fees from mutual funds and/or service providers to the funds held by the Client Accounts. This compensation generally ranges from 0.25% to 0.40% per annum of the amount invested through the Platform in the mutual funds. The Custodians may also receive similar fees with respect to ETF investments. Generally, fees received by Custodians are lower for asset allocations using a greater proportion of ETFs compared to asset allocations using a high proportion of mutual funds.

GFWM provides the Custodians certain services with respect to the custody arrangements. If the Client selects a Custodian other than GFTC, the selected Custodian will remit a portion of the fee it charges the Client or receives from other parties including mutual funds and ETFs, to GFWM as compensation for these services. The formula under which GFWM's compensation will be calculated is prospectively agreed upon by the Custodian and GFWM, and will be a function of agreed upon basis points on the average daily value of assets under management or custody, or other methodology agreed to by the parties annually. The formula is set for a 12-month period, after which a new formula may be renegotiated between GFWM and the Custodian to take effect on a prospective basis. The payment due under the formula will be calculated and paid quarterly. Further information about the compensation paid GFWM, including current and historical compensation, is available on request.

The total fees received by GFWM with respect to a particular Client for a specified amount of assets can vary according to the particular Custodian used by the Client. In addition, a Client's particular asset allocation, including on-going changes (also known as rebalancing) based on the recommendations made by the Portfolio Strategist that provides the Client's asset allocation, may indirectly contribute to increasing or decreasing the compensation received by GFWM from a

Custodian in future periods.

Other Compensation Disclosure

Each of the mutual funds, ETFs and variable annuity sub-accounts included in the Platform bears its own operating expenses, including compensation to the fund or sub-account advisor. As an investor in the mutual funds, ETFs or variable annuity sub-accounts, the Client indirectly bears the operating expenses of the mutual funds, ETFs or sub-accounts, as these expenses will affect the net asset value (or share price in the case of an ETF) of each mutual fund, ETF or sub-account. These expenses are in addition to the investment Advisory Fees paid to the Client's individual Financial Advisory Firm, including the Platform Fee payable to GFWM. The ratios of fund expenses to assets vary from fund to fund according to the actual amounts of expenses incurred and fluctuations in the fund's daily net assets. Information on the specific expenses for each of the mutual funds is set forth in the fund's prospectus and periodic reports provided by the fund to the Client. Information concerning the specific expenses of each variable annuity sub-account and any other expenses assessed by each variable annuity issuer are contained in the Prospectus delivered to the Client by the variable annuity issuer.

The cost of advisory and investment management services provided through the Platform may be more or less than the cost of purchasing similar services separately. For example, direct investment in a mutual fund, ETF or variable annuity sub-account could be less expensive than investment in the same securities through the Platform, because the Client would not bear any Platform Fee. All mutual funds included in the Platform will be available for purchase at each fund's net asset value and with no sales charge, so that no sales commissions are incurred in connection with investment in the initial portfolio and portfolio rebalancing. While most mutual funds available through the Platform will charge no transaction fees, mutual funds or custodians may charge a Client redemption fees under certain circumstances. Accounts invested in portfolios that include ETFs are subject to transaction costs, or asset-based pricing fees, based on the fee schedule of the account custodian selected by the Client, and pursuant to a separate agreement between the Client and the account custodian. Variable annuity accounts may be subject to transaction costs in connection with portfolio rebalancing as provided in the Prospectus delivered to the Client by the variable annuity issuer.

The Platform Fee paid by the Financial Advisory Firm to GFWM for related accounts of any client in the Platform are negotiable, as are Platform Fees paid by any Financial Advisory Firm, with the approval of GFWM's President and CEO or any other senior executive officer, as authorized by the President and CEO. These negotiated fees may lower the portion of the Platform Fee that GFWM receives and increases the portion of the Advisory Fee that is received by the Financial Advisor.

GFWM Affiliate Fee Income Disclosure

As discussed in Item 9, GFWM and CBC receive compensation as the Investment Advisor and Distributor, respectively, of the GuideMark and GuidePath Funds, which are utilized within certain Portfolio Strategists' asset allocations, and GFWM waives its Platform Fee to the Financial Advisory Firm on Client accounts to the extent they are invested in asset allocations comprised primarily of the GuideMark and GuidePath Funds. The Financial Advisory Firm will therefore pay a lower percentage of the Client's assets invested in the Platform to GFWM as the Platform Fee and may retain a greater percentage than if another Portfolio Strategist's asset allocation were used. Accordingly, the Financial Advisory Firm has a potential conflict of interest in that it may have a financial incentive to recommend that the Client Account be invested in an asset allocation which is comprised primarily of the GuideMark and GuidePath Funds.

To the extent that a Client establishes a mutual fund Account and selects an asset allocation designed by a "proprietary" Portfolio Strategist (one who includes funds from its affiliated fund family), the Portfolio Strategist will generally derive additional benefit through compensation payable to its affiliates from the funds.

Altegris Managed Futures Exposures Strategy, Altegris Multi-Strategy, GPS Solutions, and GPS Select Solutions

Client accounts invested in the Altegris Managed Futures Exposure Strategy will receive allocations, determined by Altegris, among mutual funds advised by Altegris and GFWM. Both Altegris and GFWM may receive advisory fees from the mutual funds in which these accounts invest. The mutual fund advisory fees differ between funds and the total fees collected will vary depending upon the profile selected by the client and the fund allocation within each profile (for example, the blended rate of all fund advisory fees on client assets invested at the target profile allocation can range from 1.21% or higher for profile 3, and up to 1.52% for profile 5). If a client elects the Altegris Managed Futures Exposure Strategy, client authorizes and instructs that the account be invested pursuant to the selected profile, acknowledges that the fund advisory fees collected by Altegris and GFWM will vary, and approve of the fund advisory fee payments to GFWM and Altegris. Client will be given notice if these ranges change and, unless the Client or Financial Advisor gives notice to GFWM, Client consents to these changes.

For the Altegris Multi-Strategy, the target allocations and available mutual funds may be modified by Altegris as market conditions vary and new funds become available. The investment guidelines for the Altegris Multi-Strategy constrain Altegris' ability, as a strategist, to modify the above fund allocations such that the range of management fees earned across the profile allocation does not exceed 0.45%. As a result, all allocation changes by Altegris will remain within the 0.45% credit amount provided to clients in the Altegris Multi-Strategy described in the fee disclosures set forth in Item 4 above.

Client accounts invested in GPS Solutions will receive allocations, determined by GFWM, among the GuidePath Funds, the GuideMark Funds and the Altegris Advised Funds, if applicable. Both Altegris and GFWM will receive advisory fees from the mutual funds in which these accounts invest. The mutual fund advisory fees differ between funds and the total fees collected will vary depending upon the profile selected by the client and the fund allocation within each profile (for example, the blended rate of all fund advisory fees on client assets invested at the target profile allocation can range from 1.04% or higher for profile 1, and up to 1.18% for profile 5). If a client elects the GPS Solutions, client authorizes and instructs that the account be invested pursuant to the selected profile, acknowledges that the fund advisory fees collected by Altegris and GFWM will vary, and approve of the fund advisory fee payments to GFWM and Altegris. Client will be given notice if these ranges change and, unless the Client or Financial Advisor gives notice to GFWM, Client consents to these changes.

If a Client selects a GPS Select Solutions strategy, Client authorizes and instructs that the account be invested pursuant to the selected profile and acknowledges that GFWM may modify fund allocations within a range such that fund management fees earned by GFWM or Altegris (if a GPS Select Solution chosen includes an allocation to Altegris) may vary within a range of 0.30% of the assets in the Strategy. Client approves fund allocations within this range and acknowledges Client will not receive prior notice of the fund allocation changes unless such allocations would exceed the 0.30% range.

Business Development Allowance Program for Financial Advisors

Under GFWM's Business Development Allowance program, certain Financial Advisors may receive a quarterly business development allowance for reimbursement of qualified marketing/practice development expenses incurred by the Financial Advisor. These amounts vary depending on the value of the assets on the GFWM Platform held by Clients of the Financial Advisor. For the 2012 calendar year, participating Financial Advisors were reimbursed an average of $2,438.

Marketing Support for Financial Advisory Firms

Additionally, certain Financial Advisory Firms enter into marketing arrangements with GFWM whereby the Firms receive compensation and/or allowances in amounts based either upon a percentage of the value of new or existing Account assets of Clients referred to GFWM by Financial Advisors, or a flat dollar amount. These arrangements provide for the communication of GFWM's service capabilities to Financial Advisors and their Clients in various venues including participation in meetings, conferences and workshops. GFWM may also agree to provide the Financial Advisory Firm or its representatives with organizational consulting, education, training and marketing support.

Direct and Indirect Support for Financial Advisors

GFWM may sponsor annual conferences for participating Financial Advisory Firms and/or Financial Advisors designed to facilitate and promote the success of the Financial Advisory Firm and/or Financial Advisor and/or GFWM advisory services. GFWM may offer Portfolio Strategists, Investment Managers and Investment Management Firms, who may also be Sub-Advisors for the GuideMark and GuidePath Funds, the opportunity to contribute to the costs of GFWM's annual conferences and be identified as a sponsor. GFWM may also cover travel-related expenses for certain Financial Advisors to attend GFWM's annual conferences, quarterly meetings, or to conduct due diligence visits. In addition and outside of the Business Development Allowance, GFWM may contribute to the costs incurred by Financial Advisors in connection with conferences or other Client events conducted by the Financial Advisor or the Financial Advisory Firm.

Discounted Fees for Financial Advisors

Financial Advisors may receive discounted pricing from GFWM for practice management and marketing related tools and services.

Community Inspiration Award

In order to promote community involvement, GFWM created the Community Inspiration Award to honor selected Financial Advisors across the US who have inspired others by supporting charitable organizations in their communities. GFWM will make a cash donation, subject to the published rules governing the program, to the Financial Advisor's nominated charity in accordance with the following: 1) the charitable organization is not a client or prospective client of the Financial Advisor, 2) the Financial Advisor will not receive a monetary award and 3) the charitable organization must not have the ability to contribute funds or services to a candidate for public office or to a Political Action Committee. There is no direct compensation paid to an honored Financial Advisor. However, the Financial Advisor may be inclined to place, or retain client assets on the Platform as a result of GFWM's contribution to their supported charitable organization.

ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

The Financial Advisory Firm utilizing the GFWM Platform will determine the specific account requirements and the types of clients with which it may offer its services. Generally, the GFWM Platform is made available to high net worth individuals and institutional investors, financial institutions, annuity funds, charitable institutions, foundations, municipalities, endowment funds, corporations, corporate pension and profit-sharing plans, and Taft-Hartley plans.

MINIMUM INVESTMENT REQUIREMENTS

GFWM reserves the right, in its sole judgment, to accept certain investments below the standard minimums shown below.

<u>Mutual Fund, ETF and Variable Annuities</u>
The standard minimum investment through the Platform will generally be $25,000-50,000 for mutual fund and variable annuity Accounts, and $100,000 for ETF accounts.

<u>Guided Portfolios</u>
The standard minimum investment through the Platform will generally be $25,000 - $50,000 for GPS Solutions and $100,000 - 250,000 for GPS Select Solutions.

<u>Individually Managed Accounts</u>
The standard minimum IMA investment per Investment Manager is generally between $100,000 and $250,000, and will depend on the Custodian and Investment Manager(s) selected for the Account. Certain Investment Managers may require minimum investments greater than $250,000. The Investment Managers, in their sole judgment may accept investments below the standard minimum.

For strategies in which GFAM is the Investment Manager, the minimum investment is $25,000.

<u>Consolidated Managed Accounts</u>
The standard minimum CMA investment generally is $500,000.

<u>Unified Managed Accocunts</u>
The standard minimum UMA investment, depending on the strategy selected, is between $50,000 and $100,000.

ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

The Platform does not have information applicable to Portfolio Manager Selection and Evaluation. Item 4 describes GFWM's selection and the roles of the Portfolio Strategists, Investment or Discretionary Managers and Overlay Managers.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

The Platform does not have information applicable to Client Information Provided to Portfolio Managers. Item 4 describes the relationship and agreement between the Client and the Financial Advisory Firm's including the FA Firm's responsibilities to evaluate the Client's need and objectives and determine the suitability of various Platform options for the Client.

Discretionary Managers may request and are entitled to receive information about a Client pursuant to a separate Appendix A to the Client Service Agreement, also referred to as the Discretionary Manager Designation, between the Client and the Discretionary Manager.

ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

The Platform does not have information applicable to Client Contact with Portfolio Managers. Item 4 describes the relationship and agreement between the Client and the Financial Advisory Firm's and that the Firm may consult with GFWM regarding the administration of the Platform. Additionally, the Client has the opportunity to consult jointly with the Financial Advisory Firm and the Discretionary Managers concerning the individual management of their account.

ITEM 9 – ADDITIONAL INFORMATION

DISCIPLINARY INFORMATION

As the platform sponsor, GFWM and its management does not have disciplinary information to report.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As the platform sponsor, GFWM has the following financial industry affiliations:

AFFILIATED COMPANIES

GFWM has numerous affiliated companies under common control with the GFWM. Genworth Financial, Inc. ("Genworth") is a publicly-held company (NYSE: GNW), and it and its affiliates may also issue other securities. Genworth wholly owns directly or indirectly these affiliated companies. GFWM does not consider such affiliations to create a material conflict of interest for GFWM or its clients. For those affiliated companies you may interact with in connection with the GFWM Platform, their industry activities are described in further detail below:

- Altegris Advisors, L.L.C.
- Altegris Portfolio Management, Inc.
- Altegris Clearing Solutions, L.L.C.
- Altegris Futures, L.L.C.
- Altegris Investments, Inc.
- Capital Brokerage Corp.
- Genworth Financial Trust Company

<u>Altegris Advisors, L.L.C.</u>
Altegris Advisors, L.L.C. ("Altegris") is a Delaware limited liability company, a commodity pool operator registered with the Commodity Futures Trading Commission ("CFTC"), a member of the National Futures Association ("NFA"), and is registered as an investment adviser with the Securities and Exchange Commission. Altegris, a Delaware series trust, serves as the investment adviser to mutual funds including the Altegris Managed Futures Strategy Fund, the Altegris Macro Strategy Fund, the Altegris Futures Evolution Strategy Fund, the Altegris Equity Long Short Fund, and the Altegris Fixed Income Long Short Fund. Altegris may also act in the capacity of Portfolio Strategist for GFWM.

<u>Altegris Portfolio Management, Inc.</u>
Altegris Portfolio Management, Inc., dba Altegris Funds ("Altegris Funds"), is registered with the CFTC, a member of the NFA, and an investment adviser registered with the Securities and Exchange Commission. Altegris Funds acts as the sponsor to various pooled investment vehicles offered on a private placement basis, including commodity pools and hedge funds.

<u>Altegris Clearing Solutions, L.L.C.</u>
Altegris Clearing Solutions, L.L.C. ("Solutions") is a Delaware limited liability company registered as both a futures introducing broker and a commodity trading advisor with the CFTC and a member of the NFA. Solutions introduces futures separate accounts of its clients to various futures commission merchants and provides futures-related consulting services.

<u>Altegris Investments, Inc.</u>
Altegris Investments, Inc. ("Investments") is an Arkansas corporation and is registered as a broker-dealer with the Securities and Exchange Commission ("SEC") and member of the Financial Industry Regulatory Authority ("FINRA"). Investments acts as a selling agent and wholesaling agent for commodity pools and hedge funds sponsored by its affiliate, Altegris Funds and as a distributor of mutual funds advised by its affiliate Altegris. Investments also acts as a third party selling agent for non-affiliated hedge funds and commodity pools. Through its affiliate, Solutions, clients of Investments may access a platform of managed futures trading programs.

<u>Altegris Futures, L.L.C.</u>
Altegris Futures, L.L.C. ("Futures") is a Delaware limited liability company registered as an introducing broker with the CFTC and is a member of the NFA. Futures acts as introducing broker for commodity pools sponsored by its affiliate, Altegris Funds.

<u>Capital Brokerage Corp.</u>
Capital Brokerage Corporation ("CBC") is a member broker-dealer of FINRA. CBC is the distributor of the GFWM mutual funds: the GuideMark and GuidePath Funds and the Contra Fund.

<u>Genworth Financial Trust Company</u>
Genworth Financial Trust Company ("GFTC") is an Arizona chartered trust company that currently serves as the custodian for certain GFWM advisory and platform services.

<u>Insurance Company or Agency Affiliates</u>
Genworth also owns directly or indirectly several life insurance companies and agencies. These include Genworth Life and Annuity Insurance Company ("GLAIC") and Genworth Life Insurance Company of New York ("GLICNY"). GLAIC and GLICNY issue variable annuity and variable life insurance contracts ("Variable Contracts") and make available the Efficient Edge Advisory Service to owners of those contracts. GLAIC is also the issuer of the LifeHarbor Series, Genworth Financial Wealth Management Group Guaranteed Income Annuity Certificate ("LifeHarbor Annuity").

GFWM AFFILIATE CONFLICTS OF INTEREST

<u>Banking Institution - GFTC</u>
Clients pay GFTC for custodial services pursuant to their Custody Agreement with GFTC. Additionally, pursuant to a contract between GFWM and GFTC, GFWM may also pay GFTC for services it provides GFWM advisory Clients, especially with regard to GFAM PMAs and UMAs. Additionally, GFTC may receive payments from mutual fund, mutual fund service providers and other financial institutions for services GFTC provides related to investments held in Client Accounts. GFTC handles transfer agency functions, shareholder

servicing, sub-accounting, and tax reporting functions that these financial institutions may otherwise have to perform. Such payments may be made to GFTC by these financial institutions based on the amount of assets GFWM has directed be invested on behalf of Client Accounts. GFWM determines whether to initially invest or maintain an investment of Client Account assets in these investments. Any such payments to the Custodian will not reduce the Platform Fee. Some mutual funds, or their service providers, may provide compensation in connection with the purchase of shares of the funds, unless prohibited by law or regulation. Compensation may include financial assistance for conferences, sales or employee training programs. Compensation may also be paid for travel and lodging expenses for meetings or seminars of a business nature held at various locations or gifts of nominal value as permitted by applicable rules and regulations.

Investment Companies — GuideMark Funds, GuidePath Funds, and Genworth Financial Contra Fund

GFWM receives compensation as the investment advisor of the GuideMark and GuidePath Funds, which are utilized within certain Investment Solutions. When the GuideMark Funds are used in GFWM's Investment Solutions, GFWM waives its Platform Fee on the assets in those accounts, unless it is in a CMA Investment Solution. GFWM is compensated only pursuant to its Investment Advisory Agreement with the GuideMark and GuidePath Funds. Because of the lack of a Platform Fee, some Financial Advisors may be inclined to charge a higher Advisory Fee. for an Account invested in the GuideMark and GuidePath Funds than they might for an Account invested in other Investment Solutions. With regard to a CMA Investment Solution, if the Discretionary or Overlay Manager selects a GuideMark and GuidePath Fund, GFWM may receive a Platform Fee from client assets for its management under the CMA Investment Solution as well as an additional fee through the GuideMark and GuidePath Fund for that portion of a client's account that is invested in the Fund, effectively receiving two fees, under two different management agreements, on the same assets.

The GuidePath fund of funds are directly managed by GFWM's Investment Strategies Group ("ISG") and will be invested in shares of the GuideMark Funds, unaffiliated mutual funds, and ETFs. ISG manages the GuidePath Funds based on research provided by current Portfolio Strategists in each of the four Asset Allocation Approaches. In addition to the responsibility of managing the GuidePath Funds, the Investment Strategies Group has ongoing oversight over the performance of the Sub-Advisers in the GuideMark Funds and the Portfolio Strategists on the Platform. Because of the conflict between ISG managing the GuidePath Funds, and thereby controlling the allocations to affiliated mutual funds, and potentially receiving the GuideMark Funds' profitability information as a participant in the Fund board meetings, GFWM has created information barriers to shield ISG personnel from those discussions.

GFWM serves as the investment adviser to the Genworth Financial Contra Fund, a registered investment company used by the GFAM division of GFWM in risk mitigation strategies in some Investment Solutions. When the Contra Fund is used in GFWM's Investment Solutions, GFWM may receive an advisory fee from client assets for its management under an Investment Solution as well as an additional fee through the Contra Fund for that portion of a client's account that is invested in that Fund, effectively receiving two fees, under two different management agreements, on the same assets.

GLAIC is the issuer of the LifeHarbor Series, Genworth Financial Wealth Management Group Guaranteed Income Annuity Certificate ("LifeHarbor Annuity"). GLAIC is an affiliate of GFWM and GFTC. Purchasers of the LifeHarbor Annuity must invest their Account in one of the GFAM Strategies offered by GFAM and designed for use with the LifeHarbor Income Certificate ("GFAM-LHIC"). GFAM serves as the Discretionary Manager for accounts invested in GFAM Solutions designed for use with LifeHarbor Income Certificate, and only Risk/Return Profiles 3 and 4 are offered in this Investment Solution. While the LifeHarbor Annuity is in force, an asset charge, which is based on the value of the assets in the client account, is periodically deducted from the account and remitted to GLAIC. Consult the LifeHarbor Annuity prospectus for further information. The fees charged under the LifeHarbor Annuity are in addition to the advisory, custodial and other fees charged the client account, including the advisory fee GFWM receives as the Discretionary Manager. GLAIC gave GFWM input in the development of this Investment Solution, with particular focus on the specification of investment risk parameters, and the impact of those risk parameters in the management of client accounts. However, GFWM is responsible for the day-to-day management of the GFAM-LHIC accounts, and GLAIC does not have the authority to instruct GFWM to pursue any particular investment course. As of January 28, 2011, the GFAM-LHIC strategy is no longer open to new business.

Other Investment Advisers - Altegris Advisors, L.L.C.

Altegris Advisors, L.L.C. ("Altegris") is a Delaware limited liability company formed in February 2010, and commenced its advisory operations in August 2010. Altegris is registered as an investment adviser with the SEC. Altegris serves as the investment adviser to the Altegris mutual funds, including the Managed Futures Strategy Fund, a series Delaware Trust, and its wholly owned subsidiary. Altegris manages the assets of the Fund directly in accordance with applicable law and the investment objectives, policies and restrictions set forth in the Fund's current Prospectus and Statement of Additional Information, and subject to such further limitations as the Fund's Board of Trustees may from time to time impose by written notice to Altegris. Altegris also acts in the capacity of Portfolio Strategist for the Platform.

Broker-dealers - CBC

CBC is a member broker-dealer of FINRA, and is affiliated with GFWM by common ownership. CBC is the Distributor of the GuideMark and GuidePath Funds, and the Contra Fund. CBC is not compensated for its role as Distributor of the Contra Fund, but CBC is entitled to receive 12b-1 fee compensation as Distributor of the GuideMark and GuidePath Funds. The GuideMark and GuidePath Funds and the Contra Fund are utilized within certain Investment Solutions.

OWNERSHIP OF GENWORTH SECURITIES

GFWM's parent is Genworth Financial, Inc. ("Genworth"). Genworth's stock is publicly traded (NYSE: GNW), and it and its affiliates may also issue other securities. The mutual funds, ETFs, variable annuity sub-accounts and other collective investment vehicles held in client accounts through the Platform may hold or acquire securities issued by Genworth. In addition, the independent Discretionary Managers managing Privately Managed Accounts may invest in Genworth securities in the discretion of the independent Discretionary Managers. However, Privately Managed Accounts advised directly by GFWM will be restricted so that no securities issued by Genworth or its affiliates will be acquired even if such an investment is appropriate for such Accounts. In addition, the Proprietary/Affiliated Funds, and the Contra Fund, will not acquire any Genworth securities.

CODE OF ETHICS

The Financial Advisory Firm provides investment advisory services to the client. The following summary describes the Code of Ethics for GFWM, as the Platform sponsor.

GFWM has adopted a Code of Ethics (the "Code") that is intended to comply with the provisions of Rule 204A-1 under the Investment Advisers Act of 1940 ("Advisers Act"), which requires each registered investment adviser to adopt a code of ethics setting forth standards of conduct and requiring compliance with federal securities laws. Additionally, the Code is designed to comply with Section 204A of the Advisers Act, which requires investment advisers to establish, maintain and enforce written policies and procedures reasonably designed, taking into consideration the nature of such investment adviser's business, to prevent the misuse of material, non-public information by any person associated with such investment adviser. GFWM's Code requires that all "Supervised Persons" (including officers and certain affiliated persons and employees of GFWM) in carrying out the operations of GFWM, adhere to certain standards of business conduct. Specifically, the Code requires that these persons: (i) comply with all applicable laws, rules and regulations, (ii) avoid any conflict of interest with regard to GFWM and its Clients, (iii) avoid serving their personal interests ahead of the interests of GFWM and its Clients, (iv) avoid taking inappropriate advantage of their position with GFWM or benefiting personally from any investment decision made, (v) avoid misusing corporate assets, (vi) conduct all of their personal securities transactions in compliance with the Code, and (vii) maintain, as appropriate, the confidentiality of information regarding GFWM's operations.

The Code contains a number of prohibitions and restrictions on personal securities transactions and trading practices that are designed to protect the interests of GFWM and its Clients. First, the Code prohibits trading practices that have the potential to harm GFWM and/or its Clients, including excessive trading or market timing activities in any account that GFWM manages, trading on the basis of material non-public information, and trading in any "Reportable Security" which is being purchased or sold, or is being considered for purchase or sale by the Accounts managed by GFWM or any GFWM-advised mutual funds. Second, the Code mandates the pre-clearance of certain personal securities transactions, including transactions in securities sold in initial public offerings or private placements. The Code also requires the pre-clearance of Reportable Security transactions for certain Access Persons. Finally, the Code requires employees to submit, and the Chief Compliance Officer (the "CCO") to review, initial and annual holdings, and quarterly transaction reports.

GFWM utilizes Financial Tracking Technologies to provide enhanced tracking of employee transactions and gives GFWM the ability to analyze employee trading against certain parameters and transactions in its managed Accounts or any GFWM-advised funds. Access Persons also utilize this system to annually certify their receipt of, and compliance with, the Code and pre-clear their Reportable Security transactions, if they are required to do so by the Code.

All Supervised Persons under the Code are responsible for reporting any violations of the Code to the CCO. The Code directs the CCO to submit reports to the Board of Trustees of any GFWM-advised funds regarding compliance with the Code, and to impose sanctions on violators, as warranted.

GFWM will provide a copy of the Code to any Client or prospective Client upon request.

REVIEW OF ACCOUNTS

The Clients and their Financial Advisors may contact GFWM to arrange for consultations regarding the management of their Accounts. Clients should refer to their Financial Advisors to discuss and assess their current financial situation, investment needs and future requirements in order to implement and monitor investment Portfolios designed to meet the Client's financial needs.

GFWM makes available periodic reports to Financial Advisory Firms for use with their investment advisory clients. These written reports, the Quarterly Performance Report, generally contain a list of assets, investment results, and statistical data related to the client's account. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports.

Management of the Client's Account

The Financial Advisory Firm provides the specific advice to the Client concerning the Client's investment Strategy for each Account, including the Investment Solution, the Portfolio Strategist(s), the particular Asset Allocation Approach or sub-strategy to be chosen for the Client, and the Client's appropriate Risk/Return Profile. The Financial Advisory Firm will also advise Clients in Individually Managed Accounts on the Investment Managers to be selected for the Client's Account. The Financial Advisory Firm and/or the client (depending upon the specific form of Client Services Agreement entered into between the Financial Advisory Firm and the Client) retains discretion to choose the Portfolio Strategist(s), the asset allocation(s) and the Investment Managers selected as the components of the Strategy for the Client's Accounts, and will have the opportunity periodically to change the Strategy or its components, including the Investment Solution, the choice of Portfolio Strategist(s), the particular asset allocation(s) or sub strategies, the Risk/Return Profile, or the Investment Managers selected for the Accounts.

GFWM has identified a broad range of mutual funds for the Portfolio Strategists to use in the mutual fund asset allocations, and provides the Portfolio Strategists access to a broad range of ETFs for use in the ETF asset allocations. Each of the variable annuity issuers has established various sub-accounts as more fully described in its variable annuity Prospectus. In addition, GFWM has identified certain investment management firms to provide securities recommendations to be used in CMA asset allocations. Each of the mutual funds is either a no-load mutual fund or a mutual fund that may be purchased through the Platform at net asset value and without sales charges. Variable annuity accounts are subject to the terms and conditions of the Prospectus delivered to the Client by the variable annuity issuer, and may or may not involve the payment of a commission to the Financial Advisory Firm or a related party by the variable annuity issuer. The Financial Advisory Firm will seek to tailor the Client's Strategy to the Client's individual needs. Information concerning the Investment Solutions, the Portfolio Strategists participating in the Platform, and the mutual funds, ETFs, variable annuity sub-accounts and the CMA investment management firms used in the Portfolio Strategists' asset allocations is provided to the Financial Advisory Firm and updated periodically.

Clients are provided with periodic custodial reports from a custodian and GFWM provides the Financial Advisory Firms with QPR's for each of their Client's Accounts. The periodic custodial reports include a listing of all investments in the Client's account, their current valuation, and a listing of all transactions occurring during the period. The QPR's include information concerning the allocation of the assets in each Client Account among various asset classes and the investment performance of the Client's Account during the quarter.

Management of Privately Managed Accounts

The Investment Managers managing IMAs, MSAs, and the Overlay Managers managing CMAs and UMAs are referred to collectively as the "Discretionary Managers" for these Privately Managed Accounts.

GFWM (in UMAs) and certain Portfolio Strategists (in CMAs) may elect to incorporate a limited number of mutual funds in certain asset class allocations where they have determined that mutual funds are a more appropriate investment vehicle than using individual Investment Managers or the asset selections by Investment Management Firms. These funds may include both no-load mutual funds (that is funds which do not include a sales load) and mutual funds which generally do charge a sales load, but which are available through the Platform at the fund's net asset value and without any sales charge. Other third-party funds or ETFs may also be utilized in CMAs for situations in which a Client's assets do not meet the required minimums of an Investment Manager for certain asset classes.

Each Investment Manager and Investment Management Firm has been selected by GFWM for the Platform to provide investment management services based on one or more specific investment objectives, which are outlined in the Manager Profile for each Investment Manager and Investment Management Firm. For example, certain Investment Managers and Investment Management Firms have been selected to manage U.S. Large Capitalization stocks, while others have been selected to manage International stocks. The Asset Allocations Approaches developed by Portfolio Strategists will typically consist of a combination of several Investment Managers/ Investment Management Firms (and, in certain cases, mutual funds) representing a number of asset classes, which can include, but are not limited to, U.S. Fixed Income, International Fixed Income, U.S. Large Capitalization and Small/Mid Capitalization stocks, International stocks, Emerging Markets stocks, and Real Estate Investment Trusts (REITs).

All investments are held in custody by a Custodian who maintains the Client's custodial account and effects transactions at the direction of the Client and the Discretionary Manager(s) designated by the Client. Client is responsible for paying the Custodian directly for all expenses related to effecting transactions in the account, pursuant to a separate agreement executed between Client and the Custodian.

Each of the Client's investments is held by the Custodian in the Client's name. Clients will receive confirmations of each security purchased and sold for the Client's account (either separately or as part of the periodic custodial statement). Clients are entitled to receive copies of any materials distributed by the issuers of such securities to all beneficial owners of their securities, as well as the Prospectus and all annual and periodic reports issued by any mutual funds that the Client holds. In addition, the Client retains all indicia of beneficial ownership, including, without limitation, all voting power and other rights as a security holder in each of the securities and funds held for the Client. However, the Client may delegate the right to receive prospectuses and shareholder materials, and to vote proxies on behalf of the Client, to the Discretionary Managers selected by the Client. The Discretionary Manager Designations executed in connection with opening of any Privately Managed Account will include such delegation unless the Client otherwise directs in writing. Client has the opportunity to consult jointly with the Financial Advisory Firm and the Discretionary Managers concerning the individual management of their account.

<u>Advisor as Strategist Program</u>
A Financial Advisory Firm may participate in the Advisor As Strategist Program ("AAS" Program). In this program, a Discretionary Client Services Agreement is executed by the Client; the Client grants the Financial Advisory Firm discretionary authority to invest and reinvest the assets in accounts invested in the Mutual Fund and ETF Investment Solutions Account; and the Advisor manages custom accounts for their clients ("Custom Accounts"). The Financial Advisory Firm will be solely responsible for determining account assets, trades and rebalances. The Financial Advisory Firm may contract with GFWM to recommend to the Financial Advisory Firm asset allocations or investment selections for the Custom Accounts, as may be agreed upon between Financial Advisory Firm and GFWM. GFWM does not provide any individualized investment advice to Custom Accounts or have or exercise any discretionary authority with regard to Custom Accounts. GFWM will perform no independent due diligence on the Advisor as Strategist.

The asset allocation classification of the custom models developed by the Financial Advisory Firm may not be consistent with the Asset Allocation Approaches or Risk Return Profiles described in this Disclosure Brochure for Platform Accounts. The Platform Fee schedules will be charged to the Client Account, unless otherwise negotiated between the Financial Advisory Firm and GFWM. The Client will receive additional information regarding the Financial Advisory Firm's management of Custom Account through the Financial Advisory Firm's disclosure brochure.

CUSTODIAL ARRANGEMENTS

The Client's investments made through the Platform are held in the Client's name by a Custodian selected by the Client, pursuant to a custody agreement directly between the Client and the Custodian. As a custodial client, the Client will receive from the Custodian periodic account statements listing the investments held in the Client custodial account, valuations of the investments and transactions which occurred during the period. The Client will also receive prospectuses and shareholder reports, as well as any proxy statements, applicable to the securities in the Client's custodial account if the Client has invested in a Mutual Fund, ETF or Variable Annuity account available through the Platform. If the Client has selected a Privately Managed Account, the Client will generally delegate the receipt of these shareholder materials to the Discretionary Manager through the Discretionary Manager Designation executed with the Client Services Agreement, unless the Client otherwise expressly directs that such materials be delivered to the Client.

Several different third party Custodians are available on the Platform for use by Financial Advisory Firms and Clientsto provide Client Accounts with custody and trading services. These Custodians, include TD Ameritrade Investment Support Services, Pershing Advisor Solutions, Schwab Institutional, and Fidelity Brokerage Services. In addition, Genworth Financial Trust Company ("GFTC"), an affiliate of GFWM, may be used by Financial Advisory Firms and Clients on the Platform. Except as noted, each Financial Advisory Firm will typically select the Custodian to be used by that Financial Advisory Firm's Clients. The selected Custodian's full fee schedule and separate custody agreement will be presented to the Client, to be executed between the Client and Custodian. In general, each Custodian charges a custody fee based on a tiered fee schedule specific to each investment solution available on the Platform. For Accounts invested in a mutual fund solution, the custody fee is $150 per year. Custody fees do not apply for mutual fund solutions comprised primarily of GFWM proprietary or affiliated funds. The minimum annual custody fee for ETF solutions is $250 per year. The minimum annual custody fee for IMA solutions ranges from $250 to $500 per year, depending on the types of securities held in Accounts. The minimum annual custody fee for CMA Accounts is $750 per year. Custody fees for GPS Selection Solutions, GFAM UMAs, GFAM Preservation Strategy or GFAM Fixed Income Accounts are included in the Platform fee payable to GFWM on those Accounts. The Custodians may also charge termination fees and various other miscellaneous fees for wires, returned checks and other non-standard activity on an Account. Custody fees will also apply to Accounts in investment solutions that are either closed or no longer offered to new clients. All custody fee details are clearly presented in each Custodian's fee schedule and separate custody agreement.

The Client is responsible for paying the Custodian the fees charged by the Custodian for its services and for all expenses related to effecting transactions in the account, pursuant to the agreement between Client and the Custodian. The Client will therefore bear such Custodian fees and expenses in addition to the fees charged under the Client Services Agreement, discussed above, and the operating expenses incurred by mutual funds, ETFs, variable annuities and any other pooled investment vehicles held in the Client's account. It should be noted that other custodial arrangements may be available that would involve lower costs to the Client than does this Platform, and the custodian selected by the Client or the Client's Financial Advisory Firm. Custodians may also negotiate custodial fees at their discretion. Clients should consult with their Financial Advisor to ensure they understand the custodial fees applicable to their Account.

FINANCIAL INFORMATION

In certain circumstances, registered investment advisers are required to provide you with financial information or disclosures about their financial condition in this Item. As the wrap program sponsor, GFWM has no financial commitment that impairs its ability to meet contractual commitments to Financial Advisory Firms or their clients, and has never been the subject of a bankruptcy proceeding. GFWM's parent company, Genworth, files quarterly and annual financial statements with the SEC. These are available through the SEC and on its parent company web site at the following location:

www.genworth.com.

ITEM 10 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS

Not applicable to GFWM as the Platform sponsor.

GFWM AND GFAM DISCLOSURE BROCHURE

(FORM ADV – APPENDIX 1)

GFWM AND GFAM
DISCLOSURE BROCHURE

GFWM GPS SELECT SOLUTIONS AND
GENWORTH FINANCIAL ASSET MANAGEMENT STRATEGIES

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Genworth®
Financial

GFAM DISCLOSURE BROCHURE

GENWORTH FINANCIAL ASSET MANAGEMENT STRATEGIES

Form ADV – Appendix 1

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – COVER PAGE

Genworth Financial
Wealth Management, Inc.

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GenworthWealth.com

This Genworth Financial Wealth Management Disclosure Brochure provides information about the qualifications and business practices of Genworth Financial Asset Management, a division of Genworth Financial Wealth Management ("GFWM"). If you have any questions about the contents of this Brochure, please contact GFWM using the information shown on the left. 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. GFWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about GFWM also is available on the SEC's website at www.adviserinfo.sec.gov.

Genworth Financial Wealth Management, Inc.

ITEM 2 – MATERIAL CHANGES

This section provides a summary of material changes that were made to this brochure since the last annual update, and is intended to help Clients determine if they want to review this brochure in its entirety, or contact their Financial Advisor or GFWM with questions about the changes.

This summary may include any change to Genworth Financial Asset Management's ("GFAM") policies and practices, a change in the management of your account, or additional conflicts of interests for your consideration. Additionally, this summary will also include any new product offerings introduced in the last year, or product offerings that may no longer be available to new business.

GFWM may make interim updates to its disclosure brochure throughout the year. We will provide clients with additional information about material changes, as necessary. Information about GFWM is also available on the SEC's website at www.adviserinfo.sec.gov. To request a copy of the most recent disclosure brochure, contact us at:

Genworth Financial Wealth Management, Inc.
Attention: Adviser Compliance
2300 Contra Costa Blvd. Suite 600
Pleasant Hill, CA 94523-3967
800-664-5345
genworthwealth.com
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Since the last update, there are no material changes to report. The updates in this Brochure include:

Genworth Financial Asset Management updates

Effective March 31, 2013, the following GFAM product and services will no longer be available to new business:

- Genworth Multiple Strategies ("GMS") Opportunistic mandate
- Active Return Opportunities ("ARO") mandates with the exception of ARO-100 Global. ARO-100 Global may also be referred to as ARO Global. Profile 1 for ARO Global will also be closed to new business
- Privately Managed Portfolios ("PMP")
- The Actively Managed Protection ("AMP") Service
- Effective March 31, 2013, the fees for GMS Global and High Dividend will fall under one GMS Fee Schedule as provided in Item 5. The net result will either be no change to your fee, or you may pay a lower fee. The fees for the GMS Opportunistic strategy and strategies with AMP (both closed to new business) will remain unchanged.

ITEM 3 – TABLE OF CONTENTS

ITEM 4 – SERVICE, FEES AND COMPENSATION

This Disclosure Brochure provides clients with information about the advisory services of the Genworth Financial Asset Management Division of Genworth Financial Wealth Management, Inc. ("GFWM") and is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure, Appendix 1. If you have not received the GFWM Advisor Model Platform Disclosure Brochure, please contact your Financial Advisor.

This GFAM Disclosure Brochure is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure for those selecting GFAM Advisory Services.

DESCRIPTION OF GFAM ADVISORY SERVICES

GFWM provides a variety of investment advisory services to clients. The services discussed in this Disclosure Brochure are investment advice and management for the following services available through the GFAM Division of GFWM:

Privately Managed Accounts, including:

Individually Managed ("IMA") Accounts
- GFAM Preservation Strategy
- GFAM Fixed Income Strategies

Unified Managed Accounts, including:
- Genworth Multiple Strategies ("GMS") Accounts, and
- Active Return Opportunities ("ARO") Accounts

The following advisory services, also described in this brochure, are closed to new business.
- Privately Managed Portfolios ("PMP") Accounts
- GFAM Principal Return Exposure Strategy ("PRX")
- GFAM Strategy designed for use with LifeHarbor Income Certificate ("GFAM-LHIC")

PRIVATELY MANAGED ACCOUNT INVESTMENT SOLUTIONS

The Genworth Financial Asset Management ("GFAM") division of GFWM may act as Investment Manager ("Discretionary Manager") for the Privately Managed Account ("PMA") Investment Solutions.

Each client designates, with the assistance of the Financial Advisor and based on the client's individual investment objectives, one or more of the PMA solutions available.

GFAM Preservation Strategy

For the GFAM Preservation Strategy Investment Solution, GFAM acts as Investment Manager for Client Accounts. GFAM shall provide discretionary investment management services to the Account, and the Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities described in the CSA.

In the GFAM Preservation Strategy Investment Solution, the Client need make no further selections, with the assistance of their Financial Advisor, to specify the Strategy for the Account. The GFAM Preservation Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 1.

The primary investment objective of the Preservation Strategy is to avoid a calendar year loss. Intra-year volatility and performance may vary and are independent of the Strategy's primary investment objective. There is no guarantee that the Strategy's primary investment objective will be met in all market conditions. The Account will be invested primarily in mutual funds and exchange traded funds.

This strategy may invest in, among other things, "opportunistic" or "specialized" asset categories, which may include real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions. For GFAM Preservation Strategy, the account minimum is $50,000.

GFAM Fixed Income Accounts

For the GFAM Fixed Income Accounts Investment Solution, GFAM acts as Investment Manager for Client Accounts. GFAM shall provide discretionary investment management services to the Account, and the Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities described in the CSA.

For a GFAM Fixed Income Account Investment Solution, the Client, with the assistance of their Financial Advisor, shall select a Mandate for the management of their account. There are no Asset Allocation Approaches or separate Risk/Return Profiles available for a GFAM Fixed Income Account.

The available Mandates for the GFAM Fixed Income accounts are as follows:
- *Laddered Bond Mandates.* These Strategies invest the Account in either US Treasury, US Agency, or US Treasury Inflation Protected bonds, with an intermediate effective duration, on a buy and hold basis.
- *Municipal, Duration-based and the High Yield Mandates.* These Strategies invest the Account in closed-end funds, exchange traded funds or mutual funds to obtain relevant exposure specific to desired asset categories.

For GFAM Fixed Income Accounts, the account minimum ranges from $25,000 to $50,000.

UNIFIED MANAGED ACCOUNT ("UMA")
INVESTMENT SOLUTIONS

The Unified Managed Account Investment Solutions include:
- Genworth Multiple Strategies ("GMS"),
- Active Return Opportunities ("ARO") and
- Privately Managed Portfolios ("PMP") accounts (This strategy is closed to new business.)

GFWM manages UMA Accounts through GFAM whereby GFAM serves as Overlay Manager and may also be referred to as "Discretionary Manager."

As Overlay Manager for the UMA Investment Solutions, GFAM provides discretionary investment management services and coordinates recommendations of independent Investment Management Firms acting as portfolio advisers to GFWM. As Overlay Manager for UMAs, GFAM may also select securities directly for Client Accounts.

The standard minimum UMA investment, depending on the strategy selected, is between $50,000 and $100,000. GFAM reserves the right, in its sole judgment, to accept certain investments below these standard minimums.

Investments for UMA Investment Solutions will be made in part by GFAM using securities recommendations by independent Investment Management Firms. In addition, UMAs may hold investments selected by GFAM, and these investments may include, but are not limited to, some or all of the following types of securities: exchange traded funds, closed-end mutual funds, open-end mutual funds, preferred stocks, treasury bonds, bills, notes and bank notes. The mutual fund investment may include the Genworth Financial Contra Fund, which is advised by GFWM. The asset allocation decisions, Investment Management Firm selection decisions and additional security selection decisions will all be made solely by GFAM in its discretion. This discretion may include the substitution of certain securities included in selected Investment Management Firms' asset allocations in consultation with the Investment Management Firm or otherwise, or the selection of individual securities in certain designated asset classes.

For UMA Investment Solutions, GFAM employs comprehensive analysis, including specific mathematical, technical and/or fundamental tools and risk-control criteria in the management of Client Accounts. The focus of GFAM as Overlay Manager is to add value to each Client's account through: (1) the strategic and tactical determination and implementation of asset allocation levels; (2) the selection of independent Investment Management Firms to advise as to the formation of portfolios of their highest conviction individual security preferences; (3) the formation of portfolios with risk management options to match the portfolio to the Client's chosen level of risk tolerance; and (4) efficient execution of trade orders resulting from ongoing management of the Client's Account.

Clients in UMA Investment Solutions have the option to place restrictions against investments in specific securities or types of securities for their account that are reasonable in light of the advisory services being provided under the different Investment Solutions offered on the Platform. Requests for such restrictions are reviewed by GFWM to ensure that they are reasonable and will not unduly impair GFWM's ability to pursue the Investment Solution and Strategy selected by the Client. As may be limited by the Custodian's policies and procedures, Clients may also pledge the securities in their UMA or withdraw securities from their Account (transfer in-kind to another account or custodian), but must do so by giving instructions in writing to GFWM or Custodian.

For GMS, a risk management strategy may be implemented through the use of fixed income strategies. Portfolio allocations for these risk management strategies will vary based on individual Client objectives within target allocations established and monitored by GFAM.

<u>Genworth Multiple Strategies ("GMS") Accounts</u>

Clients who select the GMS Account as their Investment Solution must deposit at least $50,000 into their account, and if multiple deposits are made into such an Account, the Account will not be invested and will not be considered a Discretionary Account until the Account balance reaches the required minimum $50,000. A Client's Account will be held by Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the account reaches the required $50,000 minimum for investment. GFAM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

In a GMS Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. The Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and the other discretionary authorities described in your Client Services Agreement. GFAM may select securities for the Account, to a substantial degree, consistent with recommendations provided to GFAM by Investment Management Firms that GFWM selects, retains and may replace. GFAM retains the right, however, to allocate across asset classes, which will include such recommended securities, in its own discretion. GFAM may invest the Account in direct securities, pooled investment vehicles, such as mutual funds or ETFs, or in other securities or investments.

GFAM will generally not adjust the holdings in a GMS Account on an ongoing basis. Instead, unless a security is subject to a corporate action, e.g. merger or acquisition, GFAM will generally only sell or readjust Account holdings after a one-year holding period. However, since the one-year holding period is generally measured from the date of the previous year's readjustment (and this date may shift forward throughout the calendar year over time), Clients may not experience a one-year holding period on their Account assets in the first and last year of an Account or if withdrawals or contributions are made to the Account. However, because of its annual adjustment structure, a GMS Account is less able than a non-GMS Account to react to market events or opportunities and make changes between adjustment dates.

Additionally, Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets during the annual adjustment period, and GFWM will not be held liable for losses due to market value fluctuations during the time taken for these transactions.

The GMS Investment Solution follows the Tactical Constrained Asset Allocation Approach. For a GMS Investment Solution, the Client, with the assistance of the Client's Financial Advisor, selects for the management of the Account (1) a Risk/Return Profile; and (2) a Mandate.

Risk/Return Profile and Risk Management Strategy

With the assistance of the Client's Financial Advisor, the Client selects for a GMS Account a Risk/Return Profile. Only profiles numbered three (3) through six (6), that is Moderate, Moderate Growth, Growth, and Maximum Growth, are available for a GMS Account.

When selecting a Risk/Return Profile for a GMS Account, the Client, with the assistance of the Client's Financial Advisor, also specifies whether the risk management strategy should be implemented through use of fixed income strategies.

Mandates

The Client may choose between the following Mandates for a GMS Account.

High Dividend. The Account will primarily be exposed to large capitalized US companies, with possible significant allocations of exposure to real estate and high dividend paying stocks.

Global. The Account will be exposed to international securities (including emerging markets), with allocations that also include exposure to large and small capitalization US companies.

<u>Active Return Opportunities ("ARO") Accounts</u>

In an ARO Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. The Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account and such other discretionary authorities described in the CSA. GFAM may select securities for the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms that GFWM selects, retains and may replace.

GFAM may invest the Account in direct securities, pooled investment vehicles, such as open end mutual funds, closed end investment companies, including ETFs, or in other securities or investments. GFAM retains the right to allocate across asset classes, in its own discretion. GFAM will generally adjust the holdings in an ARO Account on an ongoing basis.

GFAM's management of taxable Accounts in the ARO Investment Solution will include a loss-harvesting strategy. The objective of the loss harvesting strategy is to actively realize capital value losses, as they occur over time, that exceed certain pre-determined levels. GFAM will determine, in its sole discretion, what investments to sell, or not, in implementing this strategy. This loss-harvesting strategy will only be applied with regard to individual stocks, closed-end funds, ETFs and their equivalents; GFAM does not plan to apply it to mutual fund holdings. GFAM's management of non-taxable or tax-deferred accounts in the ARO Investment Solution will not include a loss-harvesting strategy. This loss harvesting strategy is not applied in any other UMA Investment Solution.

Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets, and GFWM will not be held liable for losses due to market value fluctuations during the time taken for these transactions. GFAM does not represent or guarantee that all applicable capital losses will be harvested, that the losses will all be long-term or short-term, or that the losses will be harvested intentionally against known realized capital gains in a Client's account.

The ARO Investment Solutions follows the Tactical Unconstrained Asset Allocation Approach. For the ARO Investment Solution, the Client, with the assistance of the Client's Financial Advisor, selects a Risk/Return Profile for the management of the ARO Account.

Risk/Return Profile and Risk Return Objective

When establishing an ARO account, the Client, with the help of the Financial Advisor, will select a Risk/Return Profile that GFAM will use to implement a risk management strategy in the Client's Account. In addition, the following Risk/Return Objectives are also applicable to an ARO Account. There are no guarantees that these objectives will be met.

Profile	Risk Management Objective Targeted maximum loss[1]	Absolute Return Objective[2]
#6	20%	Maximum return
#5	16%	90% of Profile 6 Return
#4	12%	80% of Profile 6 Return
#3	8%	70% of Profile 6 Return
#2	4%	60% of Profile 6 Return

[1]Each Profile is managed with the objective to avoid calendar year losses greater than the indicated percentage over the calendar year. No attempt is made to manage, moderate, or otherwise reduce intra-year portfolio volatility.

[2]Each risk level is managed with the objective of earning at least the indicated absolute return, measured over the long-term, and over multiple consecutive bull/bear market cycles.

In implementing a risk management strategy in an ARO Account, GFAM will, in its discretion, utilize a variety of risk management tools. These tools will generally include investments intended to act in a manner that is non-correlated or, in some cases, inversely correlated to broad market indices or specific market sectors. ARO risk management tools may include investments in fixed income securities, but may also include other asset classes such as vehicles investing in commodities, real estate, or other investments that GFAM, in its discretion, deems appropriate to mitigate risk. GFAM will determine when to use each risk management tool, and in what proportion, based on its evaluation of current market conditions.

Clients who select the ARO Account must deposit at least $100,000 into their Account, and if multiple deposits are made into such an Account, the Account will not be invested until the Account balance reaches the required Account Minimum. A Client's Account will be held by the Custodian in cash or in any assets transferred in-kind until such time as the value of the deposits to the Account reaches the required minimum for investment, and the Account will not be considered a discretionary Account until such time as the Account assets reach the required minimum. GFAM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

Mandates

The Client may choose between the following Global Mandate for an ARO Account. This Mandate allows for the Account to invest in "opportunistic" or "specialized" asset categories, which may include, among other things, real estate, commodities, precious metals, energy and other less traditional asset classes, with no geographic restrictions. In addition, the ARO Account may be traded more "opportunistically," which may lead to higher turnover and more frequently realized gains and losses than experienced in other UMA Investment Solutions.

Global. (ARO 100 Global). Global Accounts are managed to an investment objective that allows exposure to both domestic and international asset categories. This investment objective also allows exposure to equities, fixed-income, and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy, and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account's aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure. This investment objective focuses exclusively on total return and gives absolutely no preference to income generation.

SOLUTIONS AND SERVICES NO LONGER OFFERED

GFAM manages other investment solutions which are no longer offered to new clients. These solutions continue to be managed in accordance with the respective client agreement.

GFAM Principal Return Exposure Strategy ("PRX") - closed to new business

For the PRX Investment Solution, the Genworth Financial Asset Management ("GFAM") division of GFWM acts as the Investment Manager (or Discretionary Manager) for Client Accounts. GFAM shall provide discretionary investment management services to the Account, and the Client grants GFAM the authority to buy and sell securities and investments for the Account, to vote proxies for securities held by the Account (if applicable) and such other discretionary authorities described in the CSA.

In the PRX Investment Solution, the Client need make no further selections, with the assistance of their Financial Advisor, to specify the Strategy for the Account. The PRX Strategy follows an Absolute Return Allocation Approach and is considered to be Risk/Return Profile 2.

The PRX Strategy. The PRX Strategy invests in equity-linked certificates of deposit ("CDs") issued by banking institutions, on a buy and hold basis, with the dual investment objectives of return of principal at the end of a stated time-horizon, which is generally expected to be five years for each CD, and receipt of income at the maturity of each CD purchased for a Client Account, such income to be in the form of some limited participation in the price return of an Equity Benchmark, not including dividends. The Equity Benchmark associated with each CD is expected to be a weighted combination of one or more price indices on major equity markets, domestic and/or international. While fixed for the term of each CD, the Equity Benchmark may differ amongst CDs purchased by GFAM for PRX Strategy Accounts.

Important Investment Considerations

- *Money Market Fund Risk.* During the time between when a PRX Account is initially funded by the Client and the Account invests in one or more CDs, the Account will be invested in a money market mutual fund or other cash equivalent. Money market mutual funds carry the risk that they will experience a decline in value.
- *Suitability Risk.* The PRX Strategy will invest in CDs with a maturity which is anticipated to be five years for each CD at the time of initial acquisition. Withdrawals from a PRX Account before the maturity of the CD(s) held in the Account, if possible, may result in loss of principal and the Client may not recover the total initial investment. The PRX Strategy is not suitable for Clients with an investment time horizon of less than five years. The client further acknowledges that their time horizon for the assets being invested in this advisory service is 5 years or greater regardless of what may be indicated as a time-horizon for their overall investment plan.
- *Liquidity Risk.* No income will be paid by the Account CDs during their term. If the Client asks for a withdrawal from the Account prior to the next available maturity of a CD, and presuming insufficient cash is available in the Account, GFAM will attempt to sell all or part of one or more CD(s) held by the Account at the prevailing price. Sale of an Account CD prior to maturity and payment of the withdrawal request to the Client may not be possible due to possible lack of a buyer for any of the CDs held in the Account or may be at a price significantly different than the price reflected on your Account Statement. The price received for a CD sold prior to maturity may be influenced by many factors, such as the term structure of interest rates, currency exchange rates, the volatility of the Equity Benchmark, the price level of the Equity Benchmark, the prevailing dividend rate related to the Equity Benchmark, the creditworthiness of the counterparty and, most importantly, the availability of a buyer at the time the Client wishes to redeem all or part of the Account. Depending on the impact of these factors, if withdrawals from the Account are made prior to the maturity of Account CD(s), the Client may receive significantly less than expected.
- *Participation Rate.* The Participation Rate is the rate in which a CD will participate in the price return of its Equity Benchmark. The Participation Rate will be determined at the time of issuance of the CD and is generally based on the term structure of interest rates, dividend rates and market volatility prevailing at the date of issue. GFAM does not currently plan to purchase CD(s) for PRX Strategy Accounts unless the Participation Rate is above 50% of the price return of the CD's Equity Benchmark. The Account may invest in a CD with a lower Participation Rate than CD(s) purchased for other Accounts in the PRX Strategy at other points in time or previously purchased for the Client's Account. Since the Participation Rate is a percentage of the price return of the Equity Benchmark, the Account will not fully participate in potential increases of the equity markets.
- *Interest Rate Risk.* The overall return of the Account may be less than interest earned by non-indexed debt securities or bank deposits that pay interest at a prevailing market rates.
- *Market Risk.* If, for the term of a CD, the price return of the Equity Benchmark is zero or negative, you will not receive any supplemental payment amount at maturity, regardless of the Participation Rate. In addition, the Equity Benchmark for any given CD may be comprised of two or more equity indices which may not be equally weighted. Declines in the level or price of one index may offset increases in the level or price of the other index(es).
- *Tax Treatment.* If in a taxable account, all principal return and Equity Benchmark participation is expected to be treated as "ordinary income" for US federal income tax purposes classification. Additionally, as principal accretion occurs during the life of the Account, interest income may be imputed to the Client and reported to the Internal Revenue Service by the Account Custodian (Form 1099 OID reported income). As such, the PRX Strategy may not be suitable for tax-sensitive clients. This information should not be interpreted as tax advice, as GFAM does not give tax advice. The Client should consult their tax advisor.
- *Counterparty Risk.* The equity-linked CD is a bank product and may be covered by FDIC insurance, at the terms applicable at the time of any insolvency event and only up to a certain dollar amount. FDIC insurance levels may change during the time the Account holds CD(s). Other Client deposits at the same banking institution may be aggregated with the CD held by the Account for purposes of applying the FDIC insurance maximum coverage, and the Client may be exposed to counterparty risk of the issuing bank. It is the Client's responsibility to monitor their exposure to the FDIC maximum at each banking institution.

Important Operational Considerations

- *Participation Rate.* GFAM does not currently intend to invest the Account in a CD with a Participation Rate of less than 50%. If a CD is not purchased for the Account despite the availability of funds to do so, the Account will remain invested in a money market mutual fund or other cash equivalent until such time as the market conditions allow for, and GFAM is able to purchase, a CD with greater than a 50% Participation Rate. Therefore, the Account may remain invested in a money market mutual fund or cash equivalent for long periods of time. During this period, Account Fees will be charged.
- *Timing of Account Funding.* The transfer of assets from other financial institutions to the Account Custodian will take time. The Account will only be invested in a CD if at least 90% of the Initial Investment Amount and a minimum of $50,000 has funded the Account. Until then, the Account will remain invested in a money market mutual fund or other cash equivalent. Account Fees will be charged.
- *Value of Account Funding.* The Account minimum for the PRX Strategy is $50,000. If the value of the Account falls below $50,000 before a CD has been purchased, the Account may not be invested in a CD. If the Account is not invested in a CD, it will remain invested in a money market mutual fund or other cash equivalent. Account Fees will be charged.

The GFAM PRX Investment Solution will have an account minimum of $50,000 and an account maximum of $250,000. GFWM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

GFAM Solutions Designed For Use With LifeHarbor Income Certificate ("GFAM-LHIC") - closed to new business

The primary objective of these Strategies is to seek capital appreciation through tactical asset allocation across domestic and international equity and fixed income markets, through the use of ETFs and mutual funds. The Client shall select a Mandate for the management of their Account and a Risk/Return Profile 3 or 4. The mandate for the GFAM solutions designed for use with the LifeHarbor Income Certificate is Global Standard Indexed. This Strategy invests in a globally diversified portfolio using index oriented mutual funds and exchange traded funds ("ETFs"). There are no Asset Allocation Approaches designated for this Investment Solution. For more information regarding the LifeHarbor Series, please refer to the LifeHarbor Series Prospectus and Statement of Additional Information.

Genworth Multiple Strategies ("GMS") Opportunistic Mandate

(This GMS mandate is closed to new business)

GMS Opportunistic. The Account will primarily be exposed to stocks of companies domiciled in the US and other developed countries, with allocations that also include exposure to real estate and high dividend paying stocks. The Account may also invest in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small capitalized companies and global bonds.

The Fee Schedule for GMS Opportunistic will remain the same.

Active Return Opportunities ("ARO") Mandates

(These ARO mandates are closed to new business)

Domestic. Domestic Accounts are managed to an investment objective that allows exposure to domestic asset categories. However, this geographic restriction does not apply to real estate, commodities, precious metals, energy, and high quality large cap growth, and alternative asset classes which may potentially provide domestic, international, or global exposure. This investment objective also allows exposure to equities, fixed-income, and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy, and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account's aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure. This investment objective focuses exclusively on total return and gives absolutely no preference to income generation.

High Current Income. High Current Income Accounts are managed to an investment objective that allows exposure to both domestic and international asset categories that have a natural propensity to deliver an above average portion of their total return in the form of current income relative to capital appreciation. Current income is defined as dividends, interest income, and option premiums. This investment objective also allows exposure to equities, fixed-income, and specialized asset categories. For the purposes of this investment objective, specialized asset categories are defined to include real estate, commodities, precious metals, energy, and other less traditional asset class exposures. The selection of asset class exposures and the percentage allocations to each is made with the objective of bringing the account's aggregate characteristics into approximate alignment with the current and prospective investment and economic environments. There is no minimum percentage allocation to any asset class exposure.

Global. Profile 1 for ARO Global will also be closed to new business.

Privately Managed Portfolios ("PMP") Accounts

(This solution is closed to new business)

A Client who selects the PMP Investment Solution deposits at least $250,000 into the Client's Account, and if multiple deposits are made into such an Account, the Account will not be invested until the Account balance reaches the required minimum $250,000. A Client's Account will be held by the Custodian in cash or in assets transferred in-kind until such time as the value of the deposits to the Account reaches the required $250,000 minimum for investment.

In a PMP Investment Solution, the Client authorizes GFAM to provide discretionary investment management services to the Account. GFAM may select securities for the Account, to a substantial degree, consistent with recommendations provided by Investment Management Firms that GFWM selects, retains and may replace. GFAM may invest for the Account in individual securities, pooled investment vehicles, such as open end mutual funds or ETFs, or other securities or investments. GFAM retains the authority to allocate across asset classes, in its own discretion. GFAM will generally adjust the holdings in a PMP Account on an ongoing basis.

Clients should be aware that a reasonable amount of time will be needed to purchase, redeem and/or transfer assets, and GFWM will not be held liable for losses due to market value fluctuations during the time taken for these transactions.

The PMP Investment Solution follows the Tactical Constrained Asset Allocation Approach. For a PMP Investment Solution, the Client, with the assistance of the Client's Financial Advisor, selects for the management of the PMP Account (1) a Risk/Return Profile; (2) the type of risk management strategy; and (3) a Mandate.

Risk/Return Profile and Risk Management Strategy

With the assistance of the Client's Financial Advisor, the Client selects for a PMP Account a Risk/Return Profile. Only profiles numbered three (3) through six (6), Moderate, Moderate Growth, Growth, and Maximum Growth, are available for a PMP Account. When selecting a Risk/Return Profile for a PMP Account, the Client, with the assistance of the Client's Financial Advisor, also specifies whether the risk management strategy should be implemented through use of fixed income strategies or through use of GFWM's Actively Managed Protection (AMP) Service, described below under "GFWM'S ACTIVELY MANAGED PROTECTION ("AMP") SERVICE." The AMP Service is no longer available to new clients.

Mandates

The Client may choose between the following Mandates for a PMP Account.

Diversified US. The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States.

Diversified Global. The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States and other developed countries, with possible significant allocations of exposure to real estate and high dividend paying stocks.

High Dividend Global. The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States and other developed countries, with possible significant allocations of exposure to real estate and high dividend paying stocks. The Account may also invest, at a conservative level, in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small-capitalized companies and global bonds.

High Dividend Opportunistic. The Account will primarily be exposed to large capitalized companies domiciled in the United States paying high current dividends. The Account may also invest, at a moderate level, in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small-capitalized companies and global bonds.

Diversified Opportunistic. The Account will primarily be exposed to large, mid and small capitalized companies domiciled in the United States and other developed countries, with possible allocations of exposure to US companies operating in the real estate industry and stocks that currently pay high dividend. The Account may also invest, at a moderate level, in one or more specialized asset categories, including, but not limited to, commodities, market neutral strategies, emerging markets, international small-capitalized companies and global bonds.

GFWM'S ACTIVELY MANAGED PROTECTION ("AMP") SERVICE (CLOSED TO NEW BUSINESS)

GFAM's Actively Managed Protection ("AMP") service is offered by GFWM within certain Investment Solutions managed by its GFAM division. The goal of the AMP service is to allow Client Accounts to participate in the growth of equity markets while also providing risk management protection during periods of sustained and severe equity market decline. For Clients choosing a GMS or PMP Investment Solution, the AMP service is one of the two risk management service elections available, the other being fixed income investments.

AMP Investment Objective

The investment objective of the AMP service is to help mitigate losses in Client Accounts during a calendar year resulting from a sustained and severe decline in the broad-based equity markets. During periods of rising equity markets, the goal of the AMP service is to allow Client Accounts to participate in some portion of that market rise, net of the cost of the risk management protection provided by the AMP service.

AMP Investment Strategy

The AMP service provides its risk management protection by investing in any of a number of hedging and other protective investment vehicles. At the current time, the AMP service invests primarily in the Genworth Financial Contra Fund and in cash equivalents. The Contra Fund is a proprietary registered investment company for which GFWM, through its GFAM division, serves as investment adviser. The Contra Fund primarily invests in derivative instruments, most notably equity index put options. The Contra Fund may hold both long and short positions in equity index put and call options, and may also invest in cash and other forms of derivatives such as equity index futures contracts.

In GMS and PMP Investment Solutions, the AMP service will be the primary source of risk management protection for those Clients who have made the election to use AMP for their Accounts.

<u>Risks of the AMP service</u>

No Guarantee Expressed or Implied

The phrase "risk management protection" or simply "protection" should in no way be regarded as a guarantee against losses or even the mitigation of losses. Similarly, the word "participation" should in no way imply positive gains in a Client Account during periods of rising equity markets. The primary goal of the AMP service is some degree of mitigation of losses during sustained and severe declines in the broad-based equity markets, (and participation in gains during rising markets), but this is not a guarantee. GFAM may or may not be successful in achieving the investment objective of the AMP service in any individual calendar year.

Correlation Risk

The value of the risk hedging component of the AMP service is intended to rise as the broad-based equity market declines. GFAM may, from time to time and as market conditions shift, adjust the hedging component of AMP, in order to target the AMP service more closely to the assets generally held in Client Accounts. However, to the extent that the performance of assets held in Client Accounts relative to the risk hedging component differ from GFAM estimates, Client Accounts may not receive the expected degree of risk management protection from the AMP service.

Performance Measurement Interval

The goal of the AMP service is to mitigate the declines in a Client's Account during downturns in the AMP equity benchmark. However, consistent with the objective of the AMP service to provide risk management protection only against "severe and sustained" declines in the equity markets, GFWM measures the performance and success of the AMP service on a calendar year basis. The AMP service should not be expected to mitigate losses occurring over short periods of time, nor should the AMP service be expected to mitigate losses occurring from market declines that are relatively small or minor.

Risk/Return "Drift" in the AMP Service and the Postponement Option

GFAM will periodically review and may subsequently adjust the level of exposure to the AMP service in Client Accounts. These reviews may be conducted as a result of known changes in the underlying concentration of the Contra Fund, or they may be performed simply as part of a risk management review of Client Accounts.

Between the times that the AMP service is adjusted, and usually as the result of a significant equity market movement, the risk/return characteristics of the AMP service may drift substantially from the characteristics the AMP service had at the time it wasmost recently reset. This is particularly true for the GMS and PMP Investment Solutions.

Clients should be aware that opening an Account in a GMS or PMP Investment Solution between the times that the AMP service is reset could result in a risk profile significantly different from the risk profile of that Account at the time of reset. For example, if the equity market declines substantially from the time the AMP service was last reset for Accounts in a GMS or PMP Investment Solution, an Account opened at that point in time may experience significantly reduced participation in any subsequent market rise between the time the Account was opened and the time of the next AMP service is reset. Similarly, if the equity market has risen significantly since the time of the last AMP service reset, an Account opened at that point in time may experience significantly reduced protection against any further market declines until the next AMP reset.

Clients in a GMS or PMP Investment Solution that have selected the AMP service as their risk management protection strategy may elect to postpone the investment of their assets until the next periodic reset of the AMP service. Any cash deposits received will be invested in cash equivalents until the subsequent AMP reset, and any securities received in-kind will be held until the subsequent reset as well. This "postponement option" is available only for new Client Accounts in the GMS or PMP Investment Solutions and is not available for subsequent contributions or additions to such Accounts. Account Fees will be charged while application of AMP to your account is pending.

Limiting Circumstances for Participation in Upside Equity Market Movements

The second goal of the AMP service is to allow growth in the equity portion of a Client's Account to increase the value of the overall Account. This is the "participation" portion of GFAM's "participation and protection" objective. Clients who elect AMP should know that the "cost" of the protection will mute returns when equity markets are increasing in value. This drag would generally result because (1) the hedging vehicles used by GFAM to implement the AMP service move inversely to equity markets, and (2) the cost of the hedging vehicles used in the AMP service may, from time to time, increase, particularly in declining equity market conditions. As a result, the level of participation and protection of a Client's Account with AMP may vary depending upon market environment and the specific path of market returns. Portfolios with AMP may fall while the overall equity market is rising in certain time intervals, and may fall more than the overall equity markets in certain intervals. It should also be noted that a consistent pattern has been observed in the market that the cost of the AMP service rises and stays high for extended periods of time following periods of rapid or sustained equity market decline.

The Fee Schedule will remain the same for closed Investment Solutions in which the AMP service was selected.

Disclosure of Conflicts of Interest

GFWM will receive management fees as investment adviser to the Contra Fund, currently the primary component of the AMP service. Such management fees are in addition to the fees GFWM receives as the Platform administrator.

As of December 31, 2012, assets in the GFAM strategies under the Advisor Model had $837.5 million.

ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

For strategies in which GFAM is the Investment Manager, the minimum investment is $25,000. The standard minimum UMA investment, depending on the strategy selected, is between $50,000 and $100,000. GFWM reserves the right, in its sole judgment, to accept certain investments below these standard minimums.

ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

ITEM 9 – ADDITIONAL INFORMATION

Trade Execution

GFAM will generally direct most, if not all, transactions to the Account Custodian. In addition, if the selected Custodian is GFTC, generally most, if not all transactions will be directed to Fidelity Brokerage Services LLC and/or National Financial Services LLC, or other broker-dealers selected by GFAM and contracted by GFTC. If the Account is invested in a GFAM IMA and/or UMA Investment Solution, the selected broker-dealers will be paid through amounts collected as part of the GFAM Advisory Fee charged the Account and, therefore, generally, transaction-based commissions will not be charged to the Account for execution services. In certain circumstances, better execution may be available from broker-dealers other than the broker-dealer(s) generally used by the Client's selected Custodian. GFAM may determine to trade outside the selected broker-dealer(s) and, in such a case, the Account may be charged for the trade execution. GFAM may combine purchase and sale transactions for a security into a single brokerage order. This aggregation process could be considered to result in a cross transaction among affected accounts.

Proxy Voting and Class Actions

The Client designates GFAM as their agent to vote proxies on securities in the Account and make all elections in connection with any mergers, acquisitions and tender offers, or similar occurrences that may affect the assets in the Account. Client acknowledges that as a result of this voting designation they are also designating GFAM as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying GFAM in writing of the desire to vote future proxies. Additionally, this designation of GFAM to vote proxies and the Client's right to vote proxies may not apply to securities that may have been loaned pursuant to a securities lending arrangement despite efforts by GFAM to retrieve loaned securities for purposes of voting material matters.

If shares of the Genworth Financial Contra Fund are held in an Account for which GFAM acts as Discretionary Manager, GFAM will vote 100% of the shares over which it has voting authority according to instructions it receives from its Clients, which are the Fund's beneficial shareholders. GFAM will vote shares with respect to which it does not receive executed proxies in the same proportion as those shares for which it does receive executed proxies. This is known as "mirror voting" or "echo voting."

The Client retains the right to vote proxies if the Account is an Administrative/Non-Managed Account.

Class Actions and similar actions

In all instances the Client shall make any and all elections with regard to participation in class actions, notices regarding bankruptcies and similar elections.

FOR THE FOLLOWING PART 2A ITEMS, REFER TO GFWM PLATFORM DISCLOSURE BROCHURE, APPENDIX 1:

DISCIPLINARY INFORMATION

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

CLIENT REFERRALS AND OTHER COMPENSATION

CODE OF ETHICS

REVIEW OF ACCOUNTS

FINANCIAL INFORMATION

ITEM 10 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS

Not applicable to GFWM as the Platform sponsor.

GFWM DISCLOSURE BROCHURE

GPS SELECT SOLUTIONS

Form ADV – Appendix 1

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – COVER PAGE

Genworth Financial Wealth Management, Inc.

Jessica R. Cataudella
Chief Compliance Officer
2300 Contra Costa Blvd.
Suite 600
Pleasant Hill, CA 94523
800 664.5345
GenworthWealth.com

This Genworth Financial Wealth Management Disclosure Brochure provides information about the qualifications and business practices of Genworth Financial Wealth Management ("GFWM"). If you have any questions about the contents of this Brochure, please contact GFWM using the information shown on the left. 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. GFWM is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about GFWM also is available on the SEC's website at www.adviserinfo.sec.gov.

Genworth Financial Wealth Management, Inc.

ITEM 2 – MATERIAL CHANGES

This section provides a summary of material changes that were made to this brochure since the last update, and is intended to help Clients determine if they want to review this brochure in its entirety, or contact their Financial Advisor or GFWM with questions about the changes.

This summary may include any change to GFWM's policies and practices, a change in the management of your account, or additional conflicts of interests for your consideration. Additionally, this summary will also include any product offerings introduced in the last year, product offerings that may no longer be available to new business, or new products to be launched in the near future.

GFWM may make interim updates to its disclosure brochure throughout the year. We will provide clients with additional information about material changes, as necessary. Information about GFWM is also available on the SEC's website at www.adviserinfo.sec.gov. To request a copy of the most recent disclosure brochure, contact us at:

Genworth Financial Wealth Management, Inc.
Attention: Adviser Compliance
2300 Contra Costa Blvd. Suite 600
Pleasant Hill, CA 94523-3967
800-664-5345
genworthwealth.com
advisorcompliance@genworth.com

Since the last update, there are no material changes to report.

ITEM 3 – TABLE OF CONTENTS

ITEM 4 – SERVICE, FEES AND COMPENSATION

This Disclosure Brochure provides clients with information about the advisory services of Genworth Financial Wealth Management, Inc. ("GFWM") and is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure, Appendix 1. If you have not received the GFWM Advisor Model Platform Disclosure Brochure, please contact your Financial Advisor.

This Disclosure Brochure is meant to be read in conjunction with the GFWM Advisor Model Platform Disclosure Brochure for those selecting GPS Select Solutions.

DESCRIPTION OF GPS SELECT SOLUTIONS ADVISORY SERVICE

GFWM provides a variety of investment advisory services to clients. The services discussed in this Disclosure Brochure are investment advice and management for the the GPS Select Solutions.

<u>GPS Select Solutions</u>

GPS Select Solutions will invest in pre-determined allocations to various Asset Allocation Approaches and additional investment options and within each Asset Allocation approach, will make allocations to various Portfolio Strategists and Investment Managers, including Altegris Advisors and GFAM, and Proprietary/Affiliated Mutual Funds.

GPS Select Solutions will invest in Strategies which include investments in both mutual funds and ETFs. Mutual fund share class is selected on a fund by fund basis and seeks to eliminate 12b-1 fees where possible. GFWM will seek to use non-retail or institutional classes where these share classes are available. In striving for consistency across all custodial options on the Platform, GFWM will seek to select the lowest cost share class available across custodians and that aligns the stated program account minimum and allocation weighting of funds held with the fund's prospectus requirements. Due to specific custodial or mutual fund company constraints, there may be situations where a specific share class is not consistently available. In those cases, clients will be invested in the lowest cost share class that is commonly available across custodians.

With the assistance of the Financial Advisor, Clients may select from the following GPS Select Solutions:

- *Select Wealth Preservation.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained & Absolute Return Asset Allocation approaches. This strategy is designed for wealth preservation and protection from inflation.
- *Select Accumulation & Select Accumulation Plus.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained, Tactical Unconstrained & Absolute Return Asset Allocation approaches, in addition to an allocation to Alternatives. Select Accumulation will tend to emphasize ETFs and is designed for capital appreciation. Select Accumulation Plus will tend to use more actively managed mutual fund strategies and is designed for capital appreciation.
- *Select Retirement Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Strategic, Tactical Constrained, Tactical Unconstrained & Absolute Return Asset Allocation approaches, in addition to an allocation to Alternatives. Strategist selection will be focused toward strategists managing to a multi-asset income mandate where available. This strategy is also designed to provide an enhanced level of income and to control portfolio volatility.

Focused GPS Select Solutions are based primarily on the client's risk profile and the Client's desire for focused exposure to one or more Asset Allocation approaches used to complement other Investment Solutions selected for the Client Portfolio.

- *Select Low Volatility.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Absolute Return Asset Allocation approach. This focused investment strategy targets low volatility.
- *Select Tactical Advantage.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Tactical Unconstrained Asset Allocation approach. This focused investment strategy seeks to increase portfolio diversification through less correlated strategies and by capturing opportunities across evolving markets.
- *Select Multi-Asset Income.* Strategies are allocated with a blended mix to selected strategist portfolios representing the Multi-Asset Income Mandate spanning the Strategic, Tactical Constrained & Tactical Unconstrained Asset Allocation approaches. This focused investment strategy seeks to provide an enhanced level of income across changing markets.

GFWM manages GPS Select Solutions using limited discretionary authority. While GFWM will exercise limited discretion on the portfolio asset allocation within portfolio investment sleeves, GFWM relies upon the strategists to conduct security selection. As mentioned above GFWM will seek to utilize the lowest cost mutual fund for accounts in the GPS Select Solutions, however, there may be circumstances where GFWM is not able to obtain the lowest cost mutual fund share class available, and may be considered to have exercised "discretion" in selecting an alternative share class.

Disclosure of Conflicts of Interest

Refer to Exhibit A at the end of this GPS Select Solutions Disclosure Brochure.

The GPS Select Solutions were not offered, therefore there were no assets as of December 31, 2012.

ITEM 5 – ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

The standard minimum investment for the GPS Solutions ranges from $100,000 to $250,000. GFWM reserves the right, in its sole judgment, to accept certain investments below the standard minimum.

ITEM 6 – PORTFOLIO MANAGER SELECTION AND EVALUATION

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

ITEM 7 – CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

ITEM 8 – CLIENT CONTACT WITH PORTFOLIO MANAGERS

Refer to GFWM Advisor Model Platform Disclosure Brochure, Appendix 1.

ITEM 9 – ADDITIONAL INFORMATION

Trade Execution

GFWM will generally direct most, if not all, transactions to the Account Custodian. In addition, if the selected Custodian is GFTC, generally most, if not all transactions will be directed to Fidelity Brokerage Services LLC and/or National Financial Services LLC, or other broker-dealers selected by GFWM and contracted by GFTC. GFWM may determine to trade outside the selected broker-dealer(s) and, in such a case, the Account may be charged for the trade execution. GFWM may combine purchase and sale transactions for a security into a single brokerage order. This aggregation process could be considered to result in a cross transaction among affected accounts.

Proxy Voting and Class Actions

The Client designates GFWM as their agent to vote proxies on securities in the Account and make all elections in connection with any mergers, acquisitions and tender offers, or similar occurrences that may affect the assets in the Account. Client acknowledges that as a result of this voting designation they are also designating GFWM as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying GFWM in writing of the desire to vote future proxies. Additionally, this designation of GFWM to vote proxies and the Client's right to vote proxies may not apply to securities that may have been loaned pursuant to a securities lending arrangement despite efforts by GFWM to retrieve loaned securities for purposes of voting material matters.

If shares of a Proprietary/Affiliated Fund are held in an Account for which GFWM acts as Discretionary Manager, GFWM will vote 100% of the shares over which it has voting authority according to instructions it receives from its Clients, which are the Fund's beneficial shareholders. GFWM will vote shares with respect to which it does not receive executed proxies in the same proportion as those shares for which it does receive executed proxies. This is known as "mirror voting" or "echo voting."

The Client retains the right to vote proxies if the Account is an Administrative/Non-Managed Account.

Class Actions and similar actions

In all instances the Client shall make any and all elections with regard to participation in class actions, notices regarding bankruptcies and similar elections.

FOR THE FOLLOWING PART 2A ITEMS, REFER TO GFWM PLATFORM DISCLOSURE BROCHURE, APPENDIX 1:

DISCIPLINARY INFORMATION

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

CLIENT REFERRALS AND OTHER COMPENSATION

CODE OF ETHICS

REVIEW OF ACCOUNTS

FINANCIAL INFORMATION

ITEM 10 – REQUIREMENTS FOR STATE-REGISTERED ADVISORS

Not applicable to GFWM as the Platform sponsor.

EXHIBIT A

GFWM serves as investment manager for GPS Select Solutions. For GPS Select Solutions, an annual GFWM Fee of 0.95% is charged. GFWM pays fees to various Strategists and IMAs, including Altegris. When a GFAM IMA is used, the GFAM fees are waived. For the reasons provided below, 0.30% of the GFWM Fee is credited back to you, resulting in a net GFWM Fee of 0.65% charged to your account for assets invested in the GPS Select Solutions. The purpose of the 0.30% fee credit is to ensure that regardless of the Strategist or IMA allocation decisions made by GFWM, the client will receive a GFWM Fee credit that is at least as much as any additional management fees GFWM or its affiliates might receive on the allocations that GFWM is permitted to make pursuant to the GPS Select Solution investment guidelines.

GPS SELECT SOLUTIONS	PROFILE 1 ALLOCATION	PROFILE 2 ALLOCATION	PROFILE 3 ALLOCATION	PROFILE 4 ALLOCATION	PROFILE 5 ALLOCATION
SELECT ACCUMULATION					
Strategic		22.50%	25.00%	25.00%	27.50%
Tactical Constrained		22.50%	25.00%	25.00%	27.50%
Tactical Unconstrained		18.75%	22.50%	22.50%	26.25%
Absolute Return		22.50%	15.00%	15.00%	7.50%
Alternatives		13.75%	12.50%	12.50%	11.25%
SELECT ACCUMULATION PLUS					
Strategic		22.50%	25.00%	25.00%	27.50%
Tactical Constrained		22.50%	25.00%	25.00%	27.50%
Tactical Unconstrained		18.75%	22.50%	22.50%	26.25%
Absolute Return		22.50%	15.00%	15.00%	7.50%
Alternatives		13.75%	12.50%	12.50%	11.25%

GPS SELECT SOLUTIONS (CONTINUED)	PROFILE 1 ALLOCATION	PROFILE 2 ALLOCATION	PROFILE 3 ALLOCATION	PROFILE 4 ALLOCATION	PROFILE 5 ALLOCATION
SELECT WEALTH PRESERVATION					
Strategic	10.00%				
Tactical Constrained	30.00%				
Tactical Unconstrained	0.00%				
Absolute Return	60.00%				
Alternatives	0.00%				
SELECT RETIREMENT INCOME					
Strategic		15.00%	17.50%	18.75%	
Tactical Constrained		15.00%	17.50%	18.75%	
Tactical Unconstrained		18.75%	18.75%	20.00%	
Absolute Return		45.00%	40.00%	35.00%	
Alternatives		6.25%	6.25%	7.50%	
SELECT LOW VOLATILITY					
Strategic					
Tactical Constrained					
Tactical Unconstrained					
Absolute Return	100.00%				
Alternatives					
SELECT TACTICAL ADVANTAGE					
Strategic					
Tactical Constrained					
Tactical Unconstrained		100.00%	100.00%	100.00%	100.00%
Absolute Return					
Alternatives					
SELECT MULTI-ASSET INCOME					
Strategic		33.00%	30.00%	33.00%	
Tactical Constrained		33.00%	30.00%	33.00%	
Tactical Unconstrained		34.00%	40.00%	34.00%	
Absolute Return					
Alternatives					

GFAM/GFWM FORM ADV

(PART 2B)

BROCHURE SUPPLEMENT

Form ADV – Part 2B

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – Cover Page

Timothy Knepp
16501 Ventura Blvd.
Suite 201
Encino, CA 91436
800 664.5345
GenworthWealth.com

Genworth Financial Wealth Management, Inc.
2300 Contra Costa Blvd.
Suite 600
Pleasant Hill, CA 94523
800 664.5345
GenworthWealth.com

This Brochure Supplement provides information about Timothy Knepp and supplements the Genworth Financial Wealth Management Disclosure Brochure. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about the Mr. Knepp may also be available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Timothy Knepp, CFA
Born 1957

Educational Background

Institution:
- University of Maryland, College Park

Degree/Major/Year:
- Bachelor's Degree in Finance, 1981

Recent Work Experience

Current Job Position:
- Chief Investment Officer of Genworth Financial Asset Management, a division of GFWM

Employment Dates:
- January 2008 to present

Positions Held In last Five years:
- January through December 2007; Independent consultant
- January 2003 to December 2006, Director of Manager Research & Due Diligence for Genworth Financial Asset Management

Professional Designations, Securities and Insurance Licenses

Mr. Knepp earned his Chartered Financial Analyst designation in 1986. He also holds the following designations and/or licenses. A description of the minimum requirements for each is provided for your reference.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

Series 65 - Uniform Investment Adviser Law Examination - This requires passing a 130 multiple choice question examination within 3 hours testing time. The Series 65 is designed to qualify candidates as investment adviser representatives.

ITEM 3 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

Mr. Knepp does not have any information applicable to this Item.

ITEM 4 - OTHER BUSINESS ACTIVITIES

N/A

ITEM 5 - ADDITIONAL COMPENSATION

N/A

ITEM 6 - SUPERVISION

Mr. Knepp reports to Michael Abelson, Senior Vice President, Investments and Product Management. Mr. Abelson can be reached at 925-521-2757. Mr. Knepp's activities are also monitored by GFWM's compliance personnel and supervisory structure.

BROCHURE SUPPLEMENT

Form ADV – Part 2B

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – Cover Page

Michael Abelson
2300 Contra Costa Blvd.
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Genworth Financial Wealth Management, Inc.
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This Brochure Supplement provides information about Michael Abelson and supplements the Genworth Financial Wealth Management Disclosure Brochure. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about Mr. Abelson may also be available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Michael Abelson, CFA
Born 1970

Educational Background

Institution:
- California State University, Fresno, CA

Degree/Major/Year:
- Bachelor of Arts, Psychology, 1992

Institution:
- University of Southern California, CA

Degree/Major/Year:
- Master of Business Administration, Investments, 1997

Recent Work Experience

Current Job Position:
- Senior Vice President, Investments and Product Management

Employment Dates:
- January 2006 to present

Positions Held In last Five years:
- Senior Vice President, Business Development

Professional Designations, Securities and Insurance Licenses

Mr. Abelson earned his Chartered Financial Analyst designation in 2000. He also holds the following designations and/or licenses. A description of the minimum requirements for each is provided for your reference.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

Series 6 - Investment Company Products/Variable Contracts Limited Representative - This requires passing a 100 multiple choice question examination within 2 hours and 15 minutes testing time. This examination qualifies an individual for the solicitation, purchase, and/or sale of redeemable securities of companies registered pursuant to the Investment Company Act of 1940; securities of closed-end companies registered pursuant to the Investment Company Act of 1940 during the period of original distribution only; and variable contracts and insurance premium funding programs and other contracts issued by an insurance company.

Series 63 - Uniform Securities Agent State Law Examination - This requires passing a 60 multiple choice question examination within 1 hour and 15 minutes testing time. The Series 63 is designed to qualify candidates as securities agents. The examination covers the principles of state securities regulation reflected in the Uniform Securities Act.

Series 65 - Uniform Investment Adviser Law Examination - This requires passing a 130 multiple choice question examination within 3 hours testing time. The Series 65 is designed to qualify candidates as investment adviser representatives.

ITEM 3 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

Mr. Abelson does not have any information applicable to this Item.

ITEM 4 - OTHER BUSINESS ACTIVITIES

N/A

ITEM 5 - ADDITIONAL COMPENSATION

N/A

ITEM 6 - SUPERVISION

Mr. Abelson reports to Gurinder Ahluwalia, President and CEO of Genworth Financial Wealth Management, Inc. Mr. Ahluwalia can be reached at 925-521-2747. Mr. Abelson's activities are also monitored by GFWM's compliance personnel and supervisory structure.

Genworth®
Financial

BROCHURE SUPPLEMENT

Form ADV – Part 2B

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – Cover Page

Robert Bannon
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This Brochure Supplement provides information about Robert Bannon and supplements the Genworth Financial Wealth Management Disclosure Brochure. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this supplement.

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Robert Bannon, CFA
Born 1957

Educational Background

Institution:
- Villanova University, PA

Degree/Major/Year:
- Bachelor's Degree in Economics, 1980

Institution:
- University of California, Los Angeles

Degree/Major/Year:
- Master's Degree in Economics, 1983

Recent Work Experience

Current Job Position:
- Senior Vice President and Chief Risk Officer

Employment Dates:
- April 2007 to present

Positions Held In last Five years:
- 2004 - 2007; Independent consultant

Professional Designations, Securities and Insurance Licenses

Mr. Bannon earned his Chartered Financial Analyst designation in 1998. A description of the minimum requirements for this designation is provided below.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

ITEM 3 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

Mr. Bannon does not have any information applicable to this Item.

ITEM 4 - OTHER BUSINESS ACTIVITIES

N/A

ITEM 5 - ADDITIONAL COMPENSATION

N/A

ITEM 6 - SUPERVISION

Mr. Bannon reports to Michael Abelson, Senior Vice President, Investments and Product Management. Mr. Abelson can be reached at 925-521-2757. Mr. Bannon's activities are also monitored by GFWM's compliance personnel and supervisory structure.

BROCHURE SUPPLEMENT

Form ADV – Part 2B

SEC File Number – 801 56323
IA Firm CRD Number - 109018
Effective March 29, 2013

ITEM 1 – Cover Page

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This Brochure Supplement provides information about Zoë Brunson and supplements the Genworth Financial Wealth Management Disclosure Brochure. You should have received a copy of that Brochure. Please call 800-664-5345 if you did not receive the Disclosure Brochure or if you have any questions about the contents of this supplement.

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE

Zoë Brunson, CFA
Born 1972

Educational Background

Institution:
- Kingston University, Kingston-upon-Thames, UK

Degree/Major/Year:
- Bachelor's Degree in Business Information Technology, 1994

Recent Work Experience

Current Job Position:
- Director of Investment Strategies

Employment Dates:
- 2007 to present

Positions Held In last Five years:
- Director, Investment Strategy Model Management & Fund Selection, Standard & Poor's Investment Advisory Services LLC, 1998 – 2007

Professional Designations, Securities and Insurance Licenses

Ms. Brunson earned her Chartered Financial Analyst designation in 2001. A description of the minimum requirements for this designation is provided below.

Chartered Financial Analyst (CFA) – Qualification as a CFA® charter holder requires 1) A bachelor's degree from an accredited institution or equivalent education or work experience, 2) Successful completion of all three exam levels of the CFA program, 3) 48 months of acceptable professional work experience in the investment decision-making process, 4) Fulfillment of local society requirements, which vary by society, and 5) Entry into a Member's Agreement, a Professional Conduct Statement and any additional documentation requested by CFA Institute.

ITEM 3 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice.

Ms. Brunson does not have any information applicable to this Item.

ITEM 4 - OTHER BUSINESS ACTIVITIES

N/A

ITEM 5 - ADDITIONAL COMPENSATION

N/A

ITEM 6 - SUPERVISION

Ms. Brunson reports to Michael Abelson, Senior Vice President, Investments and Product Management. Mr. Abelson can be reached at 925-521-2757. Ms. Brunson's activities are also monitored by GFWM's compliance personnel and supervisory structure.

GFWM DISCLOSURE FOR ERISA PLANS

ERISA 408b-2 Disclosures

Genworth Wealth Management

Genworth Financial Wealth Management — Advisor Model

ERISA regulation 408b-2 requires that certain ("covered") service providers disclose compensation and other information to ERISA pension plans. Below is that information for ERISA plans that have a Client Services Agreement with a Financial Advisory Firm that uses the Platform sponsored by Genworth Financial Wealth Management, Inc. ("GFWM") and that may use Genworth Financial Trust Company ("GFTC") as custodian. These fees are not additional compensation paid to GFWM and GFTC. This is compensation payable pursuant to clients' agreements with GFWM and GFTC and that may be received by GFWM, GFTC and their affiliates and sub-contractors due to those arrangements. Covered service providers other than GFWM and GFTC may provide their own disclosures separately.

A DESCRIPTION OF THE SERVICES PROVIDED TO THE PLAN

If designated as a Discretionary Manager on an Appendix A, Discretionary Manager Designation, to the CSA, GFWM will provide discretionary investment advisory services to the account. Please refer to CSA, including section 1(b) and Appendix A: Discretionary Manager Designation, including Discretionary Manager Acknowledgement.

If selected as custodian, GFTC will provide custodial services for Client's account assets. Please refer to GFTC's Custody Agreement, including sections 1 through 10.

STATEMENT REGARDING STATUS OF SERVICE PROVIDER

If designated a Discretionary Manager, GFWM will provide services to the Client as a fiduciary (within the meaning of ERISA 3(21)) and as an investment adviser registered under the Investment Advisers Act of 1940 for that portion of the Plans' assets it manages. Please refer to Appendix A, Discretionary Manager Designation, to the CSA and its Discretionary Manager Acknowledgement.

GFTC does not act as an ERISA 3(21) fiduciary to the Plan and is not an investment adviser registered under the Investment Advisers Act of 1940.

COMPENSATION

DIRECT COMPENSATION

If designated a Discretionary Manager, GFWM will receive Investment Manager Fee compensation as provided in the CSA, including its Section 3, Fees, and the Client Billing Authorization, appended to the CSA.

GFTC will receive the compensation specified in the Custody Agreement. Please refer to the Custody the Agreement, including sections 11-14 and Exhibit A.

INDIRECT COMPENSATION

Paid to GFWM and Altegris by Mutual Funds. GFWM serves as investment adviser and provides administrative services to the GuideMark and GuidePath Funds and acts as investment adviser to the Genworth Financial Contra Fund, which are funds that may be included in client accounts. GFWM affiliate, Altegris Advisors LLC, serves as investment adviser to funds in the Altegris Family of Mutual Funds, which may also be included in client accounts. GFWM serves as investment adviser and provides administrative services to the GuideMark and GuidePath Funds and acts as investment adviser to the Genworth Financial Contra Fund, which are funds that may be included in client accounts. GFWM affiliate, Altegris Advisors LLC, serves as investment adviser to funds in the Altegris Family of Mutual Funds, which may also be included in client accounts. The fees paid GFWM and Altegris are disclosed in the funds' prospectuses. Each of GFWM and Altegris may receive from funds they advise expense reimbursements to repay them for their previous fee waivers or expense assumptions. The GFWM-advised funds also pay a portion of the salary of their chief compliance officer, a GFWM employee.

Paid to GFTC by Mutual Funds. GFTC may receive service fee income from mutual funds, and/or their service providers whose shares are held in client account(s). This compensation is paid pursuant to agreements that GFTC has with these funds and/or their service providers under which GFTC provides administrative services to the funds and/or their service providers, including but not limited to: maintenance of an omnibus account with the fund or its designated transfer agent; transmission of net share purchase and redemption orders to the funds; maintenance of separate fund share ownership and related accounting records for each Client; processing and settlement of Client fund share transactions; providing Clients with fund transaction confirmations, periodic statements showing fund shares owned and annual gain/loss reporting; delivery of fund prospectuses, proxy materials, reports, and other information as required; and creation and delivery of forms and reports required to be sent to Clients pursuant to the federal tax laws. This compensation may be funded through funds' Rule 12b-1 fees, from sub-transfer agency fees assessed funds' assets, from the general assets of funds' advisers or through other sources.

The following table lists the service fee income that is expected to be received by GFTC as annual rates on the average daily market values of GFTC accounts invested in the specified Strategy. The actual amounts may vary. The range of service fee income that is paid by mutual funds and/or their services providers is 0.0% to 0.50% of the funds' average daily net assets.

AVERAGE PERCENTAGE INDIRECT COMPENSATION PAID TO GFTC

STRATEGY	AVERAGE
MUTUAL FUNDS	0.317%
ETFS	0.000%
THIRD PARTY IMA, INCL MSA (PMA)	0.010%
GFAM PRESERVATION IMA (PMA)	0.221%
GFAM FIXED INCOME IMA (PMA)	0.111%
GFAM LADDERED BOND IMA (PMA)	0.000%
CMA	0.113%
GMS (UMA)	0.059%
ARO (UMA)	0.144%
PMP (UMA)	0.065%
NON-MANAGED CASH	0.031%
NON-MANAGED ASSETS	0.006%

Paid to Sub-Custodian by GFTC. In fulfilling its custodial and brokerage responsibilities, GFTC may use sub-custodians and directs most, if not all, transactions to Fidelity Brokerage Services LLC and/or National Financial Services LLC ("Fidelity"). Brokerage expenses are generally not directly assessed against client accounts. Instead, Fidelity is compensated by GFTC, from its general, corporate assets, pursuant to contract, which provides for minimum and maximum fees of $2 and $300 per trade. GFTC pays Fidelity for brokerage at the approximate, average annual rate of 0.038% of those account assets invested in exchange-traded securities (therefore, not including mutual fund shares).

Paid to GFWM by Strategists and Investment Management Firms. GFWM contracts with investment advisers, e.g., the Strategists, and others for services that it uses in providing investment advice to clients. These firms may contribute at their discretion to the costs of GFWM's annual conference to educate Financial Advisors regarding the GFWM Platform. These payments to GFWM, collectively, are annually approximately 0.0023% of the average daily market value of accounts on the GFWM Platform.

INDIRECT COMPENSATION AND COMPENSATION PAID BETWEEN RELATED PARTIES

Paid to GFTC by GFWM. If the service fee income received by GFTC from mutual funds, and/or their service providers, whose shares are held in client accounts is less than 0.25% of the average daily net asset values of funds shares held by client accounts (not the full value of client accounts), then GFWM will pay GFTC an additional service fee to make up the short fall. This compensation is paid in consideration of administrative services provided to GFWM by GFTC.

Paid to GFWM by Altegris. GFWM receives compensation from Altegris Advisors, LLC, of 0.30%, annually, of the average daily net assets of most mutual funds advised by Altegris held by accounts on the GFAM Platform.

COMPENSATION UPON ACCOUNT TERMINATION

GFTC charges a $75 Account Termination Fee. Please refer to Custody Agreement, Section 13.

ADDITIONAL COMPENSATION

Paid to GFWM by Financial Advisory Firms. GFWM sponsors the GFWM Platform. Pursuant to contract with the Financial Advisory Firm and not as a "covered service provider" as defined by ERISA regulation 408b-2, GFWM provides certain administrative services to the Financial Advisory Firm. In consideration of these services, the Financial Advisor Firm pays GFWM the Platform Fee, which is a portion of the Advisory Fee charged the Client Account, as provided in the CSA, including its Section 3, Fees and as specified in the Platform Disclosure Brochure, Item 4. Additionally, if a Financial Advisor has signed up with GFWM for at least a year and the total value of the Platform accounts associated with that Financial Advisor is less than $1 million ($1,000,000), a Quarterly Maintenance Fee of $125 is payable to GFWM.

Paid to GFWM by Third-Party, Platform Custodians. Separate from the advisory services that GFWM provides the Plan, GFWM provides the Platform custodians certain services with respect to the custody arrangements. GFWM does not provide these services as a "covered service provider" as defined by ERISA regulation 408b-2, but as services to the third-party Platform custodian. If the Client selects a custodian other than GFTC and if provided pursuant to contract between GFWM and the third-party custodian, the selected custodian will remit a portion of the fee it charges the Client or receives from other parties, including mutual funds and/or their service providers, to GFWM as compensation for these services. The formula under which GFWM's compensation will be calculated is prospectively agreed upon by the custodian and GFWM, and will be a function of agreed upon percentages on the average daily value of assets under management or custody, or other methodology agreed to by the parties annually. The formula is set for a 12-month period, after which a new formula may be renegotiated between GFWM and the custodian to take effect on a prospective basis. The payment due under the formula will be calculated and paid quarterly and is expected not to exceed the annual rate of 0.32% of average daily account values depending upon the custodian and Strategy selected. Further information about the compensation paid GFWM, including current and historical compensation, is available upon request.

ADV Appendix 2 (The Elements Group)

See following pages.

Form ADV, Part 2A Disclosure Brochure

March 25, 2013

This Disclosure Brochure provides information about the qualifications and business practices of The Elements Financial Group, LLC. If you have any questions about the contents of this Disclosure Brochure, please contact us at 714-427-5800. The information in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Any reference to or use of the terms "registered investment adviser" or "registered," does not imply that The Elements Financial Group, LLC or any person associated with The Elements Financial Group, LLC has achieved a certain level of skill or training.

Additional information about The Elements Financial Group, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

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ITEM 2 - MATERIAL CHANGES

Revised March 25, 2013

The purpose of this page is to inform you of any material changes since the last annual update to of our Disclosure Brochure. If you are receiving this Disclosure Brochure for the first time this section may not be relevant to you.

The Elements Financial Group, LLC ("Elements," "we," "firm," "our," or "us") reviews and updates our Disclosure Brochure at least annually to confirm that it remains current. Below is a summary of the material changes made to our Disclosure Brochure since the last annual update dated March 30, 2012.

The material changes to this Disclosure Brochure are as follows:

Item 4 – Advisory Services Offered notes that Elements now offers Separately Managed Equity Programs as well as Separately Managed Bond Programs.

Item 5 – Fees and Compensation documents a decrease in the Base Platform Fee, which will apply to all client accounts after June 18, 2011. In addition, Elements will charge an annual "Strategist" and/or Separate Account Manager fee to cover the cost of the services provided by Strategists and Separate Account Managers (SMA's) if any. Such fees will range from 0.10% to 0.45%, depending upon the Strategist and/or Separate Account Manager selected.

Item 5 – Account Requirements lays out new minimum relationship and account sizes:

Elements generally requires a minimum household value (aggregate of all accounts) of $50,000 in addition to the following account level minimums:

Strategy	**Account Minimum**
Strategist Models	$ 25,000 – $50,000 based on manager minimums
Multi-Mandate Models	$200,000
Separately Managed Accounts	$250,000 to $500,000 based on manager minimums
Unified Managed Accounts (UMA)	$150,000 or higher, based on manager minimums

Item 5 – Excessive Mutual Fund Trading Policy. A new Excessive Mutual Fund Trading Policy was added to Account Requirements discussing a limitation of one round-trip (buying and selling mutual funds), with certain stated exceptions, within a 30-day period.

Item 8 – Investment Strategies for Managing Portfolios discusses a new emphasis on market movement as an important factor to consider in the construction of client portfolios.

The Elements Financial Group, LLC reviews and updates our Disclosure Brochure at least annually to make sure that it is still current.

ITEM 3 - TABLE OF CONTENTS

ADV Part 2B

ITEM 4 - ADVISORY BUSINESS

Description of Advisory Firm

The Elements Financial Group, LLC ("Elements," "we," "firm," "our," or "us") is a privately owned limited liability company headquartered in Irvine, California. In December 2006, the firm was founded and in September 2007 started operating as an investment adviser registered with the U.S. Securities and Exchange Commission ("SEC"). Nick Scalzo and Gaetan Scalzo are the principal owners having at least 25% ownership in the firm. Additional owners are listed on ADV1, Schedule A.

Advisory Services Offered

Elements offers an asset allocation platform (the "Platform") to registered investment advisors ("Advisors") and offers investment advisory services through its Platform to potential clients referred by solicitors generally affiliated with broker-dealers. Elements also offers Investment Manager and Model Portfolio Advisor Services through various third-party platforms.

Platform Services Offered through Advisors

Elements provides Advisors with a turnkey asset management Platform. Our Platform generally includes:

- Access to multiple institutional assets allocation strategists ("Institutional Strategists")
- Model portfolios designed to cover a number of standard risk/return assumptions
- Access to software including tools for set-up of client accounts, client proposals, investment policy statements, client agreements and the ability to view and manage client data
- Research, timely information and recommendations regarding the qualifications, investment philosophies, policies and performance of the Institutional Strategists available on the Platform
- Preparation of periodic performance measurement reporting regarding Advisor's clients' assets invested through the Platform
- Assistance in marketing the Platform to Advisor's clients
- Operational and administrative services in connection with the Platform including account set-up and maintenance

Elements provides certain services to the client accounts that are opened through the Platform. These services generally include:

- Exercising discretion on whether, how and when to implement transactions in a client's account based on the model(s) selected by Advisor and client
- Arranging for the execution of trades in clients' accounts (with the exception of accounts invested in Separately Managed Account Portfolios (SMA's), as described further below)

Advisors are generally responsible for:

- Ensuring client suitability and determining client investment objectives and goals, both initially and ongoing
- Selecting and changing the individual securities or model portfolio(s) in clients' account that we make available through the Platform in accordance with such objectives and goals

Clients should carefully review the executed investment management agreement with their Advisor as well as the Advisor's own Form ADV Brochure if applicable. The Advisor is responsible for delivering these items to each client.

Elements has entered into written agreements with Institutional Strategists. Each Institutional Strategist develops various model portfolios for inclusion on Elements' Platform. The model portfolios currently offered on the Platform that are managed by Institutional Strategists are as follows:

- **Mutual Fund Accounts** – comprised of one or more mutual funds
- **Fund Strategist Models** – comprised of various mutual funds and/or exchange traded funds (ETFs)
- **Unified Managed Accounts** – Single accounts including a variety of the above model portfolios selected by Advisors and/or clients
- **Multi-Mandate Models** – Elements managed models including a variety of the above model portfolios
- **Separately Managed Accounts** – accounts comprised of individual bonds, stocks, and mutual funds

The Institutional Strategists generally will not have any discretionary authority or control over client assets. Institutional Strategists are not responsible for ensuring client suitability. However, the Institutional Strategist for the SMA's will provide services as the "Separate Account Manager" and these services will include: (i) exercising discretion on whether, how and when to implement transactions in a client's account; and (ii) arranging for the execution of trades in these clients' accounts.

Elements manages their models using a proprietary investment approach.

Investment Advisory Services

For clients referred to Elements by a solicitor, the client will enter into an investment management agreement directly with Elements and Elements will be the Advisor. For these clients, Elements will provide the services outlined above as the Platform provider and will provide investment advisory services, which include, but are not limited to:

- determining suitability of the Platform and the model portfolio selected by the client
- exercising discretion regarding whether, how and when to implement transactions in a client's account based on the model(s) selected by the client
- arranging for the execution of trades in clients' accounts (with the exception of accounts invested in SMA's, as described further above)
- The complete services provided by Elements as the Advisor will be fully outlined in the agreement executed between Elements and the client

Depending on the type of arrangement made between Elements and the solicitor, the solicitor may assist the client in completing Platform account applications and other applicable forms and submit them to Elements. The solicitor may also obtain information from the client regarding the client's investment objectives and financial situation and may assist the client in determining a suitable model portfolio(s) based on such objectives and financial information. The client is ultimately responsible for making the final selection of the model portfolio(s). The client is further responsible for promptly notifying Elements in writing of any change in the client's investment objectives, financial situation, and/or the selection of model portfolio(s).

For clients referred by a solicitor, Elements reserves the right to not accept and/or terminate the account, if Elements believes at any time, based on information provided by the client that the model portfolio selected by the client is not suitable and the client's decision is to not change the selection.

Investment Manager Services
Elements provides most of the services as the Platform provider services outlined above to clients of independent investment advisors, including wrap fee sponsors, who utilize a third-party platform administrator. Under such arrangements Elements provides investment management services; however, we do not provide the tools to set-up client accounts, client proposals, investment policy statements, client agreements and the ability to view and manage client data. Clients should review the independent investment advisor's or wrap fee sponsor's disclosure brochure for further details.

Model Portfolio Advisor Services
Elements also provides non-discretionary investment services to third-party platforms by providing recommendations and investment advice regarding the construction and maintenance of model portfolios representing different investment styles and strategies to be used in the management of accounts participating on the third-party platforms. Elements services to the third-party platforms include recommending securities, relative weights, and specific changes in such weights by individual security. Under these arrangements Elements services are limited to providing model portfolios and Elements does not provide individualized advice, investment management services, or any other direct services to the client accounts on the third-party platforms.

Additional General Information
Elements may also occasionally offer advice regarding additional types of investments, besides those offered through the Platform, if they are appropriate to address the individual needs, goals, and objectives of the client or in response to client inquiry. Elements may offer investment advice on any investment held by the client at the start of the advisory relationship. We describe the material investment risks for many of the securities that we recommend under the heading ***Specific Security Risks*** in ***Item 8*** below.

We discuss our discretionary authority below under ***Item 16 - Investment Discretion***. For more information about the restrictions clients can put on their accounts, see ***Tailored Services and Client Imposed Restrictions*** in this item below.

We describe the Fees charged for investment management services below under ***Item 5 - Fees and Compensation***.

Limitations on Investments
In some circumstances, Elements' advice may be limited to certain types of securities.
Limitation by Type of Security
Limitation on Fixed Income and Equities
Generally, when a strategy calls for fixed income and equity exposure, we may not conduct individual fixed income and equity securities transactions but rather gain that exposure through an exchange-traded fund ("ETF") or mutual fund.

Analysis, Investment Strategies and Risk of Loss
Mutual Fund Limitations
No Load Mutual Funds - Elements generally will limit recommendations of mutual funds to no load funds or equivalent investment products.
DFA Funds - Historically, Elements has been able to provide Advisors, who are on the Platform, with access to mutual funds offered by Dimensional Fund Advisors ("DFA"). However, we no longer can directly offer DFA mutual funds to new Advisors. Those Advisors to whom we initially offered DFA mutual funds still have access to DFA funds for their clients. DFA transaction costs are generally $25 per trade and typically are subject to minimum initial investments.

Limitation by Client
Elements may also limit advice based on certain client-imposed restrictions. For more information about the restrictions clients can put on their accounts, see ***Tailored Services and Client Imposed Restrictions*** in this Item below.

Non-managed Assets
Elements will only be responsible for the supervision and management of securities we recommend. Elements will not be responsible for the supervision or management of non-managed assets. Non-managed assets may include securities held in a client's account that is under management with Elements that were:

1. Delivered into the account by the client
2. Purchased by the client
3. Purchased by Elements at the request of the client as an accommodation
4. Designated in writing by the client to be non-managed securities

Tailored Services and Client Imposed Restrictions
Elements manages client accounts based on the investment strategy the client chooses, as discussed below under ***Item 8 - Methods of Analysis, Investment Strategies, and Risk of Loss***. Elements applies the strategy for each client, based on the client's individual circumstances and financial situation. We make investment decisions for clients based on information the client supplies about their financial situation, goals, and risk tolerance. Our recommendations may be limited if the client does not provide us with accurate and complete information. It is the client's responsibility to keep Elements informed of any changes to their investment objectives or restrictions.

Clients may also request other restrictions on the account, such as when a client needs to keep a minimum level of cash in the account or does not want Elements to buy or sell certain specific securities or security types in the account. Elements reserves the right to not accept and/or terminate management of a client's account if we feel that the client-imposed restrictions would limit or prevent us from meeting or maintaining the client's investment strategy.

Wrap Fee Programs
Elements does not offer wrap fee programs as part of our services.

Assets Under Management
Elements manages client assets in discretionary accounts on a continuous and regular basis. As of February 28, 2013, the total amount of assets under our management was approximately $372,000,000.

ITEM 5 - FEES AND COMPENSATION

Fee Schedule and Billing Method

Platform Services
Elements charges an annual Platform Fee for the services provided. We charge our Platform Fee based on a percentage of the market value of the portfolio. The ***maximum*** annual Base Platform Fee that Elements will charge is 0.55%. Some clients may be paying a lower Base fee depending on certain factors including what the Base Platform Fee was when their account opened or when their Advisor began doing business with Elements. In addition, Elements will charge an annual "Strategist" and/or Separate Account Manager fee to cover the cost of the services provided by certain Strategists and Separate Account Managers (SMA's) if any. Such fees will range from 0.10% to 0.45%, depending upon the Strategist and/or Separate Account Manager selected. Note that in lieu of the Base Platform Fee and any applicable Strategist or Separate Account Manager Fees, SCA Custom SMA accounts will be charged a maximum flat annual 0.80% TEG Fee. This fee will be negotiable for family relationships with accounts in excess of $5 million.

Elements' Base Platform, Strategist and Separate Account Manager Fees (hereinafter referred to as Platform Fees) are payable quarterly in advance at the beginning of each calendar quarter. We generally charge the fee based on the market value of the client's portfolio as of the last day of the prior calendar quarter. The formula used for the Platform and Advisor Fee calculation generally is as follows: (Annual Rate) x (Total Assets Under Management at Quarter-End) / 365 (X the number of days in the subsequent quarter). Elements may aggregate client account balances that have family relationships with each other for purposes of calculating the Platform and Advisor Fees applicable to each client.

At the time in which a Client account is first opened and funded and any time an additional deposit of $10,000 or more is received, the initial Platform Fees shall be calculated based on the value of the deposit, prorated for the number of days remaining in the quarter. This initial fee will be charged at the end of each month.

In the event that a client account is terminated during a calendar quarter or any time a withdrawal of $10,000 or more is taken from an account, Elements will compute the unearned Platform fees, prorated for the number of days remaining in the quarter.

Each calendar quarter, and each calendar month for new client accounts and accounts with deposits of $10,000 or more, Elements instructs the custodian to automatically withdraw the Platform Fee from the client's account held by the independent custodian. Typically, the custodian withdraws advisory fees from the client's account during the first several weeks after the quarterly or monthly billing period based on Elements' instruction. All clients will receive brokerage statements from the custodian no less frequently than quarterly. The custodian statement will show the deduction of the advisory fee. It is the client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.

The Platform Fee is negotiable for family relationships with accounts in excess of $2 million. Elements reserves the right to change its Platform Fees at any time. Elements may negotiate with any Advisor different Platform Fees and different fee terms than those described above. For example, Elements may negotiate lower Base Platform fees based on the total amount of assets placed under management by the Advisor. For additional information on fee changes, see Additional Fee Information below.

Advisor, Institutional Strategist and Separate Account Manager Fees
Under our Platform Services, we, unless otherwise negotiated, will also calculate the Advisor's fee as outlined in the agreement executed between the client and the Advisor, at the same time and in the same manner as the Platform Fee. Each calendar quarter Elements will instruct the independent custodian of the client's account to automatically withdraw the Platform Fee and the Advisor Fee from the account. The custodian will send the fee either directly to the Advisor or to Elements for payment to the Advisor, depending on the arrangement between the Advisor and Elements.

Elements will be responsible for and will pay all the Institutional Strategist's and Separate Account Manager's fees from the Platform Fee that the client pays.

Investment Advisory Services
For accounts referred by a solicitor in which Elements performs services as the Advisor and the Platform provider, Elements will charge a ***maximum*** Investment Advisory Fees of 2.25% (exclusive of any Strategist or Separate Account Manager fees). Note, however, that in lieu of the Advisory Fees and any applicable Strategist or Separate Account Manager Fees, SCA Custom SMA accounts will be charged a maximum annual Adviser Fee of 2.30%. This fee will be negotiable for family relationships with accounts in excess of $5 million.

These fees are inclusive of the Platform Fee charged by Elements for their services as the Platform provider and fees for the solicitor. As with the Platform fee above, fees for the Strategist and Separate Account Manager will be added to the fees above.

Elements will charge these fees at the same time and in the same manner as the Platform Fee, described above. The Investment Advisory Fees are negotiable for family relationships with accounts in excess of $2 million. Elements reserves the right to change its Investment Advisory Fees at anytime. For additional information on fee changes, see Additional Fee Information below. Solicitors receive a portion of the Advisory Fees that clients pay to Elements. Elements may negotiate with any solicitor to charge lower Advisory Fees or negotiate different fee terms than those described above. For example, Elements may negotiate a fee structure that is based on the total amount of assets placed under management by the solicitor. See also ***Item 14 – Client Referrals and Other Compensation***.

Investment Manager Services

Under this service, Elements will not compute fees or deduct fees for our services from client's custodian accounts. The third-party platform administrator will handle collection of client fees and will pay Elements an annual fee based on the market values of the accounts participating in the service. We receive a portion of the advisory fee that clients pay to their independent investment advisor. Generally, Elements charges an annual fee between 0.40% - 0.50% based on the total assets under management. This fee is Elements' fee for our services and is not the total advisory fee the client pays their independent investment advisor. The fees that the client pays their independent investment advisors are established and payable in accordance with the terms outlined in the independent investment advisors' agreement, brochure or other equivalent disclosure document.

Model Portfolio Advisor Services

Under this service, Elements will not compute fees or deduct fees for our services from client's custodian accounts. The third-party platform administrator will handle collection of client fees and will pay Elements an annual fee, based on the market values of the accounts or portions of accounts making use of Elements' model portfolios. The annual fee is between 0.40% - 0.50% of the total assets invested according to Elements' models. This fee is Elements' fee for our services and is not the total advisory fee the client pays their advisor.

Account Requirements

Minimum Account Size

Elements generally requires a minimum household value (aggregate of all accounts) of $50,000 in addition to the following account level minimums:

Strategy	Account Minimum
Strategist Models	$ 25,000 – $50,000 based on manager minimums
Multi-Mandate Models	$2 00,000
Separately Managed Accounts	$250,000 to $500,000 based on manager minimums
Unified Managed Accounts (UMA)	$150,000 or higher, based on manager minimums

Elements may make exceptions to these minimums at our discretion, but may still be subject to each manager's minimum account size. In addition, we may remove clients from the program at any time if their account balance is below $50,000 due to withdrawals or inadequate funding to the portfolio. We may also charge a quarterly surcharge of $25 to Platform clients with portfolios below this $50,000 minimum. This surcharge is payable to Elements. Elements may reduce or waive the account minimum requirements at our discretion.

In addition to the minimum account sizes noted above, we recommend that portfolios investing in DFA mutual funds have a minimum additional contribution of at least $20,000. We suggest this minimum for additional contributions as the custodians generally charge $25 per DFA trade.

Excessive Mutual Fund Trading Policy

The Platform does provide advisors with the flexibility to customize allocations to a pre-selected short-list of various mutual funds. Frequent short-term trading of mutual funds increase the administrative costs associated with processing transactions and may result in the imposition of short-term redemption fees or trade restrictions by mutual fund companies. They may also interfere with the efficient management of a portfolio, potentially reducing the net returns to account holder. Elements will monitor the number of round-trip transactions in client accounts to identify and minimize excessive trading. Elements' reserves the right to limit future mutual fund trading in an account for an appropriate period of time if it determines that excessive trading has occurred. Excessive trading is defined as:

a. More than one purchase and sale of the same fund within a 30 calendar day period (hereinafter a purchase and sale of the same fund is referred to as a "round-trip"). This means two or more round-trips involving the same security within a 30 calendar day period would meet Element's definition of excessive trading; or
b. More than twelve round-trips within a twelve-month period.

Exceptions to this policy include:

a. Shares purchased or redeemed in money market funds
b. Shares acquired by asset transfer or direct rollover
c. Shares redeemed to pay adviser fees, fund fees, or shareholder account fees
d. Shares purchased as a result of client contributions
e. Shares redeemed for client withdrawals
f. Share class conversions
g. Shares purchased through the automatic reinvestment of dividend, interest or capital gain distributions
h. Shares purchased or redeemed through a systematic purchase or withdrawal program

Other Fees and Expenses

Platform, Investment Advisor and Investment Manager Services

Clients should understand that Platform Fees and Investment Advisory Fees, described above, do not include any applicable Elements minimum account size surcharge of $25 per quarter. Elements' fees also do not include custodian fees. Clients should understand that each custodian charges fees that are separate from and in addition to the Platform and advisory fees. Clients pay all brokerage commissions, stock transfer fees, and/or other similar charges incurred in connection with transactions in accounts, from the assets in the account. These charges are in addition to the fees client pays to Elements. See
Item 12 - Brokerage Practices below for more information.

In addition, any mutual fund shares held in a client's account may be subject to deferred sales charges, 12b-1 fees, and other fund-related expenses. The fund's prospectus fully describes the fees and expenses. All fees paid to Elements for Platform, Investment Advisory, and Investment Manager Services are separate and distinct from the fees and expenses charged by mutual funds. Mutual funds pay advisory fees to their managers, which are indirectly charged to all holders of the mutual fund shares. Consequently, clients with mutual funds in their portfolios are effectively paying both Elements and the mutual fund manager for the management of their assets.

Clients participating in a wrap fee program where Elements provides Investment Managers Services should also refer to the program brochure and agreements for information about additional fees and expenses.

Additional Fee Information
All Fees stated above reflect Elements' maximum fees and Elements reserves the right to charge fees that are lower depending on the assets in the account and the services that will be provided to a client. In addition, Elements may change the fees it charges, but will provide each client with thirty (30) days written notice prior to the change taking effect.

Termination

Agreement between Advisor and Elements
Either party may terminate the agreement upon sixty (60) days written notice to the other party. The Advisor may terminate the agreement by writing Elements at our office.

In addition, either party may terminate the agreement if the other party is in material violation of any SEC, FINRA, banking or other such regulation or materially breaches the agreement and fails to remedy such violation or breach within ten (10) days of written notice from the party that intends to terminate the agreement. Upon termination, Elements will not liquidate the client's assets unless it receives written instruction to do so from the Advisor.

Agreement between Client and Elements
Either Elements or the client may terminate the agreement at any time without cause by giving written notice of such termination to the other party. The client may terminate the agreement by writing Elements at our office. Provided however, any investment action taken by Elements regarding the client's account prior to the effective date of such termination will be at client's risk.

Upon termination, Elements will not liquidate the client's assets unless it receives written instruction to do so from the client. Clients should understand that in the event a client terminates the agreement and requests that their account(s) is fully liquidated, it might take Elements a number of days or more to sell all the securities in the account(s) due to market conditions at the time.

Investment Manager Services
Clients brought to Elements by a third-party advisor will need to contact the third-party advisor if they would like to terminate services. Once the third-party advisor receives written notice from the client, Elements or the third-party advisor will refund any prepaid, unearned advisory fees based on the effective date of termination.

Information Regarding Terminations
In the event of a client's death or disability, Elements will continue to manage the account until we are notified of the client's death or disability and given alternative instructions by an authorized party.

For Platform and Investment Advisor Services, Elements will refund any prepaid, unearned advisory fees on terminated accounts or account withdrawals in excess of $10,000 based on the effective date of termination to all clients. Upon termination of the agreement, we will send the client a prorated refund of unearned advisory fees using the following formula: *(Fees Paid) x (Days Remaining in Quarter)/(Total Number of Days in Quarter).*

Other Compensation
Elements does not accept compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT
Elements does not charge performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

ITEM 7 - TYPES OF CLIENTS
Elements offers its Platform services to affiliated and non-affiliated investment Advisors and their clients. Elements offers discretionary investment advisory services to individuals, high net worth individuals, trusts and estates, and individual participants of retirement plans. In addition, we offer advisory services to pension and profit sharing plans, charitable organizations, and businesses.

Account Requirements
See above ***Item 5 – Fees and Compensation*** for account requirements.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies
Elements has entered into written agreements with Institutional Strategists. Each Institutional Strategist has agreed to develop various model portfolios for inclusion on Elements' Platform. Generally, once the model is developed Elements will review the holdings and overall allocation. Elements also monitors the models for changes the Institutional Strategists make to the allocation or securities held in the model. Elements is responsible for implementing the transactions for the accounts on the Platform.

Methods of Analysis for Selecting Securities

In analyzing ETFs and mutual funds, Elements and the Institutional Strategist may use various sources of information including data provided by Bloomberg and Morningstar. When conducting analysis we review key characteristics such as historical performance, consistency of returns, risk level, expenses, and size of fund. Regarding ETFs, Elements will review size, liquidity (average daily volume), and expenses. Under certain circumstances, Elements also uses the research of Wilshire Associates, Inc. for selecting securities.

Client portfolios may include the use of leveraged and/or inverse mutual funds and ETFs. Leveraged mutual funds and ETFs may deliver a more significant outperformance and/or more significant losses related to the benchmark they track. Such leverage causes the fund's shares to be more volatile than if the fund did not use leverage. Inverse mutual funds and ETFs seek to deliver the opposite of the performance of the index or benchmark they track in some cases along with the use of leverage. In many cases these vehicles are designed to achieve the performance multiple on a daily basis and their performance over a longer period of time which might be substantially greater or substantially worse than the index or benchmark. It is important to note that such investment vehicles are generally used in active trading strategies and may offer a greater degree of risk than other investment vehicles.

Investment Strategies for Managing Portfolios

Clients will complete a risk questionnaire with their Advisor, solicitor, or with Elements, depending on the arrangement. They will use this risk questionnaire to assist the client in selecting the model portfolio, a combination of portfolios, or a combination of individual mutual funds or ETFs, to implement the client's investment objectives. The risk questionnaire will also assist Elements with understanding each client's risk profile.

Elements' believes that market movement is one of many important factors to consider in the construction of client portfolios. Market movement may have a significant impact on variation of portfolio returns, and as a result, Elements may provide guidance which helps Advisors better understand which strategies are more or less impacted by market movement. Specifically, Elements categorizes strategies into three distinct mandates:

- Mandate 1: Market Movement - strategies which closely track the broad movement of stock and/or bond markets, or a blend of the two.
- Mandate 2: Tactical Market Movement – strategies, which seek to opportunistically adjust the total level of risk in the portfolio or allocations to various asset classes. These strategies will track market movement to varying degrees, depending on the strategy and market environment.
- Mandate 3: Market Movement Diversifiers – strategies that may de-link from general market movement and may provide additional diversification.

Elements or the Institutional Strategist may use the following strategies in their management of the funds, models, or accounts. These may include but are not limited to:

MPT & Fama/French

Elements and the Institutional Strategist may follow the investment principles of Modern Portfolio Theory and the Fama/French Three-Factor Model to construct portfolios. Modern Portfolio Theory is a basic concept of using diversification in an effort to help optimize the risk and potential return of a portfolio. The goal is to implement the latest academic research into clients' portfolios. Elements and the Institutional Strategist may use the Fama/French Three-Factor Model and mean-variance analysis, among other methods, when analyzing mutual funds to set the parameters of the asset classes.

Volatility-Based Asset Allocation

Elements may employ a Volatility-Based Asset Allocation approach to construct portfolios. This approach provides unique insight into risk in the portfolio by measuring the relationship between implied volatility and the securities in the portfolio, and serves as a complement to Modern Portfolio Theory. Volatility-Based Asset Allocation may identify risk that is typically not identified when using more traditional asset allocation strategies.

Tactical Asset Allocation

Some models use a tactical asset allocation strategy in the management of client accounts. Tactical asset allocation is an active management portfolio strategy that re-balances the percentage of assets held in various asset categories in an effort to take advantage of market pricing anomalies or strong market sectors. This strategy provides an opportunity for Elements to create extra value by taking advantage of certain situations in the marketplace. Elements considers this inactive strategy since we may repeatedly alter the structure and risk of the portfolio upon obtaining desired short-term profits or if the perceived opportunity ends. There is no guarantee that this strategy will be successful and we make no promises or warranties as to the accuracy of our market analysis.

Cash as a Strategic Asset

Elements may use cash as a strategic asset and may at times move or keep client's assets in cash or cash equivalents.

Long-term Holding

Elements does not generally purchase securities for clients with the intent to sell the securities within 30 days of purchase, as Elements does not use short-term trading as an investment strategy. However, there may be times when Elements will sell a security for a client when the client has held the position for less than 30 days.

Sub-Advisers

If a client requests an allocation or strategy that includes individual fixed income securities, we may recommend our Muni-Separately Managed Bond Program. Elements' recommendation of one or more other investment advisers is limited to those investment advisers that Elements has conducted due diligence on.

We screen sub-advisers that we recommend for measurable characteristics, such as team stability, process and style consistency, portfolio risk profiles, and performance. We also draw on our long experience to make qualitative but equally important assessments of an organization's business and management skills, leadership abilities, and judgment.

Investing Involves Risk

The Institutional Strategist's goal is to create model portfolios that will enable Platform clients' assets to grow over time. Platform clients should understand that investments in bonds, mutual funds and ETFs carry a degree of risk, including loss of initial investment and we give no assurance that these types of investments will provide positive returns over any period.

Prior to opening an account on the Platform, a client should carefully consider:

1) committing to management only those assets that the client believes will not be needed for current purposes and that can be invested on a long-term basis, usually a minimum of five to seven years,
2) that volatility from investing in the stock market can occur, and
3) that over time the client's assets may fluctuate and at anytime be worth more or less than the amount invested.

Specific Security Risks

General Risks of Owning Securities

The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets of mutual funds in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations may also affect security prices and income.

Mutual Funds (Open-end Investment Company)

A mutual fund is a company that pools money from many investors and invests the money in stocks, bonds, short-term money-market instruments, other securities or assets, or some combination of these investments. The portfolio of the fund consists of the combined holdings it owns. Each share represents an investor's proportionate ownership of the fund's holdings and the income those holdings generate.

The benefits of investing through mutual funds include:

Professionally Managed

Mutual funds are professional managed by investment adviser who research, select, and monitor the performance of the securities the fund purchases.

Diversification

Mutual funds typically have the benefit of diversification, which is an investing strategy that generally sums up as "Don't put all your eggs in one basket." Spreading investments across a wide range of companies and industry sectors can help lower the risk if a company or sector fails. Some investors find it easier to achieve diversification through ownership of mutual funds rather than through ownership of individual stocks or bonds.

Affordability

Some mutual funds accommodate investors who do not have a lot of money to invest by setting relatively low dollar amounts for initial purchases, subsequent monthly purchases, or both.

Liquidity

At any time, mutual fund investors can readily redeem their shares at the current NAV, less any fees and charges assessed on redemption.

Mutual funds also have features that some investors might view as disadvantages:

Costs Despite Negative Returns

Investors must pay annual fees, and other expenses regardless of how the fund performs. Depending on the timing of their investment, investors may also have to pay taxes on any capital gains distribution they receive. This includes instances where the fund went on to perform poorly after purchasing shares.

Lack of Control

Investors typically cannot ascertain the exact make-up of a fund's portfolio at any given time, nor can they directly influence which securities the fund manager buys and sells or the timing of those trades.

Price Uncertainty

With an individual stock, investors can obtain real-time (or close to real-time) pricing information with relative ease by checking financial websites or by calling a broker or your investment adviser. Investors can also monitor how a stock's price changes from hour to hour—or even second to second. By contrast, with a mutual fund, the price at which an investor purchases or redeems shares will typically depend on the fund's NAV, which the fund might not calculate until many hours after the investor placed the order. In general, mutual funds must calculate their NAV at least once every business day, typically after the major U.S. exchanges close.

Different Types of Funds

When it comes to investing in mutual funds, investors have literally thousands of choices. Most mutual funds fall into one of four main categories; money market funds, bond funds (also called "fixed income" funds), stock funds (also called "equity" funds), and alternative investment strategy funds (also called "alternative" funds). Each type has different features and different risks and rewards. Generally, the higher the potential return, the higher the risk of loss.

Money Market Funds

Money market funds have relatively low risks, compared to other mutual funds (and most other investments). By law, they can invest in only certain high quality, short-term investments issued by the U.S. Government, U.S. corporations, and state and local governments. Money market funds try to keep their net asset value (NAV), which represents the value of one share in a fund, at a stable $1.00 per share. However, the NAV may fall below $1.00 if the fund's investments perform poorly. Investor losses have been rare, but they are possible. Money market funds pay dividends that generally reflect short-term interest rates, and historically the returns for money market funds have been lower than for either bond or stock funds. That is why "inflation risk," the risk that inflation will outpace and erode investment returns over time, can be a potential concern for investors in money market funds.

Bond Funds

Bond funds generally have higher risks than money market funds, largely because they typically pursue strategies aimed at producing higher yields. Unlike money market funds, the SEC's rules do not restrict bond funds to high quality or short-term investments. Because there are many different types of bonds, bond funds can vary dramatically in their risks and rewards.

Some of the risks associated with bond funds include:

Credit Risk
There is a possibility that companies or other issuers may fail to pay their debts (including the debt owed to holders of their bonds). Consequently, this affects mutual funds that hold these bonds. Credit risk is less of a factor for bond funds that invest in insured bonds or U.S. Treasury Bonds. By contrast, those that invest in the bonds of companies with poor credit ratings generally will be subject to higher risk.

Interest Rate Risk
There is a risk that the market value of the bonds will go down when interest rates go up. Because of this, investors can lose money in any bond fund, including those that invest only in insured bonds or U.S. Treasury Bonds. Funds that invest in longer-term bonds tend to have higher interest rate risk.

Prepayment Risk
Issuers may choose to pay off debt earlier than the stated maturity date on a bond. For example, if interest rates fall, a bond issuer may decide to "retire" its debt and issue new bonds that pay a lower rate. When this happens, the fund may not be able to reinvest the proceeds in an investment with as high a return or yield.

Stock Funds
A stock fund's value can rise and fall quickly (and dramatically) over the short term but may demonstrate more stability over the long-term. Overall "market risk" poses the greatest potential danger for investors in stock funds. Stock prices can fluctuate for a broad range of reasons—such as the overall strength of the economy or demand for particular products or services. Not all stock funds are the same. For example:

Growth Funds
Growth funds focus on stocks that may not pay a regular dividend but have the potential for large capital gains. These funds favor companies expected to grow earnings and stock prices faster than the economy, and may be smaller and less seasoned companies. The smaller and less seasoned companies that may be in a growth fund have a greater risk of price volatility. Growth stocks, which can be priced on future expectations rather than current results, may decline substantially when expectations are not met or general market conditions weaken.

Equity Income Funds
Equity income funds stress current income over growth, and may invest in stocks that pay regular dividends. These funds are subject to dividend payout risk, which is the possibility that a number of the companies in which the fund invests will reduce or eliminate the dividend on the securities held by the fund.

Small Cap Funds
Funds that invest in stocks of small companies involve additional risks. Smaller companies typically have higher risk of failure, and are not as established as larger blue-chip companies are. Historically, smaller-company stocks have experienced a greater degree of market volatility than the overall market average.

Mid Cap Funds
Funds that invest in companies with smaller market capitalizations involve additional risks. The securities of these companies may be more volatile and less liquid than the securities of larger companies.

Index Funds
Index funds aim to achieve the same return as a particular market index, such as the S&P 500 Composite Stock Price Index, by investing in all—or perhaps a representative sample—of the companies included in an index.

International Funds
International investments are subject to additional risks, including currency fluctuation, political instability, and potential illiquid markets.

Emerging Market Funds
Funds that invest in foreign securities involve special additional risks. These risks include, but are not limited to currency risk, political risk and risk associated with varying accounting standards. Investing in emerging markets may accentuate these risks.

Sector Funds
Sector funds may specialize in a particular industry segment, such as technology or consumer products stocks. Funds that invest exclusively in one sector or industry involve additional risks. The lack of industry diversification subjects the investor to increased industry-specific risk.

REIT Funds
REIT Funds include REITs within the underlying fund holdings. REITs primarily invest in real estate or real estate-related loans. Equity REITs own real estate properties, while mortgage REITs hold construction, development, and/or long-term mortgage loans. REIT investments include illiquidity and interest rate risk.

Real Estate Funds
Investments in real estate funds are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk, and diversification risk.

TIPS Funds
Treasury Inflation Protection Securities (TIPS) are inflation-indexed securities structured to remove inflation risk.

Alternative Investment Strategy Funds
Alternative funds typically seek to provide investors with investment returns that demonstrate a lower correlation with traditional investments such as stocks and bonds. These funds seek to invest in unique opportunities or investment strategies and may exhibit unique asset allocation structures, which may include stocks, bonds, cash, and derivative investments ("derivatives"). Derivatives, such as futures and/or options, are investments with performance and/or valuations that are derived from another underlying security. Because there are many different types of alternative investment strategies, alternative funds can vary dramatically in their risks and rewards. Examples of alternative funds include but are not limited to Managed Futures, Global Macro, Global Tactical Asset Allocation, and Arbitrage.

Tax Consequences of Mutual Funds
When investors buy and hold an individual stock or bond, the investor must pay income tax each year on the dividends or interest the investor receives. However, the investor will not have to pay any capital gains tax until the investor actually sells and makes a profit. Mutual funds are different. When an investor buys and holds

mutual fund shares, the investor will owe income tax on any ordinary dividends in the year the investor receives or reinvests them. Moreover, in addition to owing taxes on any *personal capital gains* when the investor sells shares, the investor may have to pay taxes each year on t*he fund's capital gains*. That is because the law requires mutual funds to distribute capital gains to shareholders if they sell securities for a profit that cannot be offset by a loss.

Equity Securities

Equity securities represent an ownership position in a company. Equity securities typically consist of common stocks. The prices of stocks and the income they generate (such as dividends) fluctuate based on, among other things, events specific to the company that issued the shares, conditions affecting the general economy and overall market changes, changes or weakness in the business sector the company does business in, and other factors.

Exchange-Traded Funds (ETFs)

An ETF is a type of Investment Company (usually, an open-end fund or unit investment trust) containing a basket of stocks. Typically, the objective of an ETF is to achieve the same return as a particular market index, including sector indexes. An ETF is similar to an index fund in that it will primarily invest in securities of companies that are included in a selected market. Unlike traditional mutual funds, which can only be redeemed at the end of a trading day, ETFs trade throughout the day on an exchange. Like stock mutual funds, the prices of the underlying securities and the overall market may affect ETF prices. Similarly, factors affecting a particular industry segment may affect ETF prices that track that particular sector.

Debt Securities (Bonds)

Issuers use debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

Certain additional risk factors relating to debt securities include:

Reinvestment Risk

When interest rates are declining, investors have to reinvest their interest income and any return of principal, whether scheduled or unscheduled, at lower prevailing rates.

Inflation Risk

Inflation causes tomorrow's dollar to be worth less than today's; in other words, it reduces the purchasing power of a bond investor's future interest payments and principal, collectively known as "cash flows." Inflation also leads to higher interest rates, which in turn leads to lower bond prices.

Interest Rate and Market Risk

Debt securities may be sensitive to economic changes, political and corporate developments, and interest rate changes. Investors can also expect periods of economic change and uncertainty, which can result in increased volatility of market prices and yields of certain debt securities. For example, prices of these securities can be affected by financial contracts held by the issuer or third parties (such as derivatives) relating to the security or other assets or indices.

Call Risk

Debt securities may contain redemption or call provisions entitling their issuers to redeem them at a specified price on a date prior to maturity. If an issuer exercises these provisions in a lower interest rate market, the account would have to replace the security with a lower yielding security, resulting in decreased income to investors. Usually, a bond is called at or close to par value. This subjects investors that paid a premium for their bond to a risk of lost principal. In reality, prices of callable bonds are unlikely to move much above the call price if lower interest rates make the bond likely to be called.

Credit Risk

If the issuer of a debt security defaults on its obligations to pay interest or principal or is the subject of bankruptcy proceedings, the account may incur losses or expenses in seeking recovery of amounts owed to it.

Liquidity and Valuation Risk

There may be little trading in the secondary market for particular debt securities, which may affect adversely the account's ability to value accurately or dispose of such debt securities. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may decrease the value and/or liquidity of debt securities.

It may be possible to reduce the risks described above through diversification of the client's portfolio and by credit analysis of each issuer, as well as by monitoring broad economic trends and corporate and legislative developments, but there can be no assurance that we will be successful in doing so. Credit ratings for debt securities provided by rating agencies reflect an evaluation of the safety of principal and interest payments, not market value risk. The rating of an issuer is a rating agency's view of past and future potential developments related to the issuer and may not necessarily reflect actual outcomes. There can be a lag between the time of developments relating to an issuer and the time a rating is assigned and updated.

Bond rating agencies may assign modifiers (such as +/-) to ratings categories to signify the relative position of a credit within the rating category. Unless we state otherwise, clients should include any security within that category without considering the modifier when reading their investment policies based on ratings categories.

Municipal Bonds

Municipal bonds are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk. Investing in municipal bonds carries risk unique to these types of bonds, which may include:

Legislative Risk
Legislative risk includes the risk that a change in the tax code could affect the value of taxable or tax-exempt interest income.

Tax-Bracket Changes
Municipal bonds generate tax-free income, and therefore pay lower interest rates than taxable bonds. Investors who anticipate a significant drop in their marginal income-tax rate may benefit from the higher yield available from taxable bonds.

Liquidity Risk
The risk that investors may have difficulty finding a buyer when they want to sell and may be forced to sell at a significant discount to market value. Liquidity risk is greater for thinly traded securities such as lower-rated bonds, bonds that were part of a small issue, bonds that have recently had their credit rating downgraded or bonds sold by an infrequent issuer. Municipal bonds may be less liquid than other bonds.

American Depository Receipts (ADRs)
An ADR is a stock that trades in the United States but represents a specified number of shares in a foreign corporation. Investors buy and sell ADRs on American markets just like regular stocks. Banks and brokerage firms issue/sponsor ADRs. ADRs are subject to risks of investing in foreign securities, including, but not limited to, less complete financial information available about foreign issuers, less market liquidity, more market volatility, and political instability. In addition, currency exchange-rate fluctuations affect the U.S. dollar-value of foreign holdings. Some ADRs and ordinary shares of foreign securities pay dividends, and many foreign countries impose dividend withholding taxes up to 30%. Depending on a custodian's ability to reclaim any withheld foreign taxes on dividends, taxable accounts may be able to recoup a portion of these taxes by use of the foreign tax credit. However, tax-exempt accounts, to the extent they pay any foreign withholding taxes, may not be able to utilize the foreign tax credit. Therefore, investors may be unable to recover any foreign taxes withheld on dividends of foreign securities or ADRs.

Cash and Cash Equivalents
The account may hold cash or invest in cash equivalents. Cash equivalents include:

1. commercial paper (for example, short-term notes with maturities typically up to 12 months in length issued by corporations, governmental bodies or bank/corporation sponsored conduits (asset-backed commercial paper));
2. short-term bank obligations (for example, certificates of deposit, bankers' acceptances (time drafts on a commercial bank where the bank accepts an irrevocable obligation to pay at maturity)) or bank notes;
3. savings association and savings bank obligations (for example, bank notes and certificates of deposit issued by savings banks or savings associations);
4. securities of the U.S. government, its agencies or instrumentalities that mature, or may be redeemed, in one year or less; and
5. corporate bonds and notes that mature, or that may be redeemed, in one year or less.

Cash and cash equivalents are the most liquid of investments. Cash and cash equivalents are considered very low-risk investments meaning, there is little risk of losing the principal investment. Typically, low risk also means low return and the interest an investor can earn on this type of investment is low relative to other types of investing vehicles.

ITEM 9 - DISCIPLINARY INFORMATION
Elements and our personnel seek to maintain the highest level of business professionalism, integrity, and ethics. Elements does not have any disciplinary information to disclose.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Registered Representative of Unaffiliated Broker-Dealer/Adviser
Associated Persons of Elements are also registered securities representatives of Capital Investment Group, Inc. (CRD# 14752 and herein "CIG"), a non-affiliated broker-dealer and a member of the Financial Industry Regulation Authority ("FINRA"). These Associated Persons may also receive compensation, commissions and/or trailing 12b-1 fees from CIG for services provided to CIG's brokerage clients. However, they do not receive any compensation, commissions and/or trailing 12b-1 fees relating to services provided to Elements' clients.

Related Investment Adviser
Elements is a related entity of Claremont Financial Group, Inc. ("Claremont"), an SEC registered investment adviser. Nicholas and Gaetan Scalzo, the principal owners of Elements, jointly own Claremont. Claremont provides services to retail clients. Claremont's services include asset allocation strategies, investment and asset management strategies, and financial planning services for a fee. Claremont has entered into a written agreement with Elements in order to provide its clients the Platform services.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics
At Elements, we believe that we owe clients the highest level of trust and fair dealing. As part of our fiduciary duty, we place the interests of our clients ahead of the interests of the firm and our personnel. Elements' personnel are required to conduct themselves with integrity at all times and follow the principles and policies detailed in our Code of Ethics. This Code of Ethics applies to all persons associated with Elements. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Elements and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Elements associates to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. Elements has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (714) 427-5800 .

Personal Trading with Material Interest
Elements allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Elements does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advice an investment company. Elements does not have a material interest in any securities traded in Client accounts.

Personal Trading in Same Securities as Clients
Elements allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

Personal Trading at Same Time as Client
While Elements allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, these trades do not occur at the same time. Elements will place trades only after Client orders have been placed and filled.

At no time, will Elements or any associated person of Elements, transact in any security to the detriment of any Client.

ITEM 12 - BROKERAGE PRACTICES
Elements requires clients to open one or more custodian accounts in their own name at a custodian of the client's choice. For clients in need of brokerage or custodial services, Elements recommends either Schwab Advisor Services™, a division of Charles Schwab & Co., Inc. ("Schwab"), Pershing Advisor Solutions ("Pershing"), Fidelity Institutional Services ("Fidelity") or TD Ameritrade Institutional ("TD Ameritrade"), as the Custodial Broker for Platform clients' accounts. For clients introduced by their Advisor or referred by a solicitor, the client may be required to use the Custodial Broker recommended by the Advisor or the solicitor's broker-dealer. The client will enter into a separate agreement with the Custodial Broker to custody the assets. Elements is independently owned and operated, and unaffiliated with any broker-dealer/custodian.

Clients introduced to us by a third-party advisor will be required to use the Custodial Broker that is specified in their agreement. Under our agreement with the third-party advisor, we are required to effect trades through the broker-dealer that is outlined our agreement.

Elements does not place trades directly, but uses a third-party service provider to place trades for execution.

Factors Considered in Selecting Broker-Dealers for Client Transactions
Elements will provide recommendations to Advisors regarding third-party Custodial Broker for the custody of the Platform client's cash and/or securities. Factors we consider when recommending a Custodial Broker include but are not limited to, the reasonableness of their commissions, product availability, research and other services available to both the client and Elements.

Research and Other Soft Dollar Benefits
Elements may receive from particular Custodial Brokers, without cost (or at a discount), support services and/or products that benefit Elements but may not directly benefit our clients' accounts. Custodial Brokers make available products and services that may be used to service all or some substantial number of Elements' accounts, including accounts not maintained with these brokers.

Custodial Brokers make available products and services that assist Elements in managing and administering clients' accounts including software and other technology that:

1. provide access to client account data (such as trade confirmations and account statements);
2. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
3. provide research, pricing and other market data;
4. facilitate payment of Elements' fees from our clients' accounts; and
5. assist with back-office functions, recordkeeping, and client reporting.

Pershing and Schwab also offer other services intended to help Elements manage and further develop our business enterprise. These services may include:

1. compliance, legal and business consulting;
2. publications and conferences on practice management and business succession; and
3. access to employee benefits providers, human capital consultants, and insurance providers.

A Custodial Broker may discount or waive fees it would otherwise charge for some of these services of a third-party providing these services to Elements. Custodial Brokers may also provide other benefits such as educational events to Elements.

As part of our fiduciary duty to clients, Elements endeavors at all times to put the interests of our clients first. Clients should be aware, however, that the receipt of economic benefits by Elements or our personnel in and of itself creates a potential conflict of interest and may indirectly influence Elements' recommendation of Custodial Brokers for custody and brokerage services.

Directed Brokerage

The above disclosure outlines the brokers and custodians that Elements recommends. Clients who direct Elements to use a particular broker-dealer for all trading may pay higher commission charges. Under these circumstances, Elements may not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. Clients should further understand that when they direct Elements to use a specific broker disparity in transaction charges might exist between the transaction costs charged to other clients. Elements may not be able to aggregate orders to reduce transaction costs and clients who direct Elements to use a particular broker-dealer may receive less favorable prices.

Third-party adviser's may be dually registered as broker-dealers or affiliated with broker-dealers. Third-party adviser may direct Elements to place client transactions with their broker-dealer, subject to Elements' duty to seek best execution for client transactions. Under these circumstances, Elements will have an incentive to place all transactions with the directed broker-dealer in an effort to ensure continued client referrals from the third-party adviser. Under these circumstances, Elements will generally place client transactions with the directed broker, unless Elements determines that a transaction should be executed by another broker-dealer in order to attempt to obtain best execution of the transaction.

Aggregation and Allocation of Transactions

Elements generally aggregates by Custodial Broker transactions for Platform clients in the same securities for the purpose of obtaining best execution, negotiating more favorable commission rates, or allocating equitably among Elements' clients the differences in prices and commission or other transaction costs that might not have been obtained had such orders been placed independently. No advisory client will be favored over any other client, and each account that participates in an aggregated order will participate at the average share price (per Custodial Broker) for all transactions in that security on a given business day. Elements does not aggregate trades of our personnel with those of client accounts unless our personnel have personal accounts that are managed by Elements through the Platform as we consider those accounts to be client accounts and generally treated the same as other clients' accounts.

Aggregated transactions will be allocated among accounts in writing before the aggregated transaction is transmitted to a broker for execution (Pre Allocation Statement). If the aggregated transaction is filled in its entirety, it will be allocated among the accounts listed on the Pre Allocation Statement. If an aggregated transaction is only partially filled, it will generally be allocated on a *pro rata* basis. However, the transaction may be allocated on a basis different from that specified in the Pre Allocation Statement in both cases (filled entirely or partially filled) so long as all client accounts participating in the aggregated transaction receive fair and equitable treatment and the reasons for the different allocation is explained in writing and received prior approval by the firm's Chief Compliance Officer or designee.

ITEM 13 - REVIEW OF ACCOUNTS

Managed Account Reviews

Elements' principals continually monitor the Institutional Strategists and Separate Account Managers on the Platform. We will make changes (such as decisions to either hire or fire) to Institutional Strategists and Separate Account Managers as we deem appropriate. Elements will also implement any approved rebalancing to the model portfolios as instructed by the Institutional Strategists. Each Platform client's Advisor is responsible for monitoring Platform client suitability and investment objectives and communicating any model portfolio and/or Institutional Strategist changes to Elements, as such Advisor deems appropriate.

Account Reporting

Each client receives a written statement from the custodian that includes an accounting of all holdings and transactions in the account for the reporting period. In addition, Elements provides Platform clients and their Advisors and solicitor representatives other periodic reports that we make available online. These reports include investment activity and performance, allocation of assets, appraisal, and fee reports.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

If an unaffiliated or an affiliated solicitor introduces a client to Elements, we may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements.

If an unaffiliated solicitor introduces a client to Elements, that solicitor will disclose the nature of the solicitor relationship with Elements at the time of the solicitation. In addition, the solicitor will provide each prospective client with a copy of this Disclosure Brochure, and a copy of the written disclosure statement from the solicitor to the client disclosing the terms and conditions of the arrangement between Elements and the solicitor, including the compensation the solicitor will receive from Elements. Any affiliated solicitor of Elements will disclose the nature of the relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of this Disclosure Brochure.

The solicitor often serves as the primary relationship contact with client. The solicitor's responsibilities shall include:

- **Client Suitability.** The solicitor will assist the client determining initial on ongoing suitability for each Client and providing the Adviser with the required information regarding the client;
- **Client On-boarding**. The solicitor will facilitate the on-boarding process for the client, including supporting the client in completing the new account opening paperwork, the firm's investment management agreement(s), obtaining complete suitability information and other requirements, which maybe required;
- **Client Relationship.** The solicitor will assist with receiving, ascertaining, forwarding and communicating any instructions to or from the client and promptly providing copies of all required documentation to the firm.
- Model Changes. The solicitor will facilitate model changes in connection with the client and provide the firm with the required communications and documentation on such changes.

Elements may compensate certain wholesalers who support Elements in the distribution of our services. Wholesalers may contact third-party advisors and discuss the services offered under Elements' Platform. Wholesalers receive compensation based on a percentage of the revenue that Elements receives from clients who are provided services by us because of the introductions that such wholesalers make to third-party advisors. This arrangement does not affect the total fees paid by the client. This practice presents a conflict of interest and could give the wholesaler an incentive to recommend Elements' services based on the compensation received rather than on the third-party advisor's client's needs. This conflict is mitigated as the client's third-party advisor will decide whether to recommend Elements' Platform to their clients (not the wholesaler that Elements compensates).

ITEM 15 - CUSTODY

Elements has custody of some of our clients' funds or securities only to the extent that clients authorize us to deduct our fees directly from the client's account. A qualified custodian (generally a broker-dealer, bank, trust company, or other financial institution) holds clients' funds and securities. Clients will receive statements directly from your qualified custodian at least quarterly. The statements will reflect the client's funds and securities held with the qualified custodian as well as any transactions that occurred in the account, including the deduction of our fee.

Clients should carefully review the account statements you receive from your qualified custodian. When clients receive statements from Elements as well as from the qualified custodian, clients should compare these two reports carefully. Clients with any questions about your statements should contact us at the address or phone number on the cover of this Disclosure Brochure. Clients who do not receive their statement from your qualified custodian at least quarterly should also notify us.

ITEM 16 - INVESTMENT DISCRETION

Elements has full discretion to decide and appoint third party managers (e.g. Institutional Strategists and Separate Account Managers) and to determine the specific security to trade, the quantity, and the timing of transactions for client accounts on the Platform (with the exception of accounts invested in Separately Managed Equity and Bond Model Accounts) without notice to, or approval from each client. Elements is granted this discretionary power in the written agreement between Elements and the Advisors (or in the case of a solicited client, the written agreement between Elements and the client). Clients also give us trading authority over their accounts when they sign the custodian paperwork. In the case of Separately Managed Equity and Bond Model Accounts, Elements delegates this discretionary authority to the Separate Account Manager.

However, certain client-imposed conditions may limit Elements' and the Separate Account Manager's discretionary authority, such as where the client prohibits transactions in specific security types or directs Elements to execute transactions through specific broker-dealers. See also ***Item 4 - Tailored Services and Client Imposed Restrictions*** and ***Item 12 – Brokerage Practices***, above.

Elements will rebalance accounts for clients on the Platform in accordance with the changes communicated to Elements by the Institutional Strategists subject to our discretion. Elements has the authority to hire and fire the Institutional Strategists and Separate Account Managers in the Platform. Elements will use its best efforts to provide Advisors with reasonable advanced notice of any termination and the opportunity to select an alternative Institutional Strategist.

ITEM 17 - VOTING CLIENT SECURITIES

Proxy Voting

Platform and Investment Advisory Clients
Elements does not have the authority to vote Platform client securities (proxies) on behalf of our Platform clients and neither do the Strategists. We have no obligation to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held in a Platform client's account. Each Platform client will have the obligation to vote proxies in their own account. We do not have proxy-voting authority solely because we provide advice or information about a particular proxy vote to a client or the client's Advisor.
Mutual Funds

The investment adviser that manages the assets of a registered investment company (i.e., mutual fund) generally votes proxies issued on securities held by the mutual fund.

Investment Manager Clients
Elements will accept responsibility and vote proxies for those clients who Elements is introduced to through a third-party advisor to provide investment management services. Clients can elect to vote their own proxies; and in that case, Elements will not have the authority to vote on behalf of the client. For clients who do not designate Elements to vote proxies, those clients will receive their proxies and other solicitations directly from their custodian or transfer agent.

When Elements accepts such responsibility, we will only cast proxy votes in a manner consistent with the best interest of our clients. At anytime, these clients can contact Elements at the address or phone number on the cover of this Disclosure Brochure to request information about how Elements voted proxies for that client's securities and to receive a copy of our proxy voting policies and procedures. If Elements is aware of a potential or actual conflict of interest relating to a proxy proposal, Elements will handle the conflict(s) in a number of ways depending on the type and materiality. The method selected by Elements will depend upon the facts and circumstances of each situation and the requirements of applicable laws. Clients should be aware that Elements will always handle conflicts with the client's best interest in mind. Clients may not direct Elements' vote in a particular solicitation; however, clients may elect to vote their own proxies, in which chase, Elements would no longer have the authority to vote on behalf of the client.

Class Actions
Elements does not instruct or give advice to clients on whether or not to participate as a member of class action lawsuits and will not automatically file claims on the client's behalf. However, if a client notifies us that they wish to participate in a class action, we will provide the client with any transaction information pertaining to the client's account needed for the client to file a proof of claim in a class action.

ITEM 18 - FINANCIAL INFORMATION

Registered investment advisers are required in this item to provide clients with certain financial information or disclosures about the firm's financial condition. Elements does not foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

Individuals covered by this supplement include:

Nicholas Braun Scalzo
Joshua Moses Emanuel
Jeffrey Kent Olsen

19200 Von Karman Avenue
Suite 800
Irvine, CA 92612
714-427-5800

Form ADV, Part 2B Brochure Supplements

March 25, 2013

This Brochure Supplement provides information about Nicholas Braun Scalzo, Joshua Moses Emanuel and Jeffrey Kent Olsen that supplements The Elements Financial Group, LLC Disclosure Brochure. You should have already received a copy of that brochure. Please contact Christopher Winn, Chief Compliance Officer at 714-427-5800 if you did not receive our Disclosure Brochure or if you have any questions about the contents of this supplement.

Additional information about Nicholas Braun Scalzo, Joshua Moses Emanuel and Jeffrey Kent Olsen is available on the SEC's website at www.adviserinfo.sec.gov.

NICHOLAS BRAUN SCALZO

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE
Nicholas Braun Scalzo, Managing Member, b. 1969

Education:
Attended California State University, Fullerton, 1987-1992

Business Background:
The Elements Financial Group, LLC, Managing Member, December 2006 to Present
Claremont Financial Group, Inc., Co-owner, September 2005 to Present
Capital Investment Group, Inc., Registered Rep, December 2011 to Present
Pacific Financial Associates, Registered Principal, October 2005 to December 2011
Associated Securities Corp., Registered Rep, July 2002 to October 2005

Professional Designations
Chartered Life Underwriter
The CLU designation is conferred by The American College. To earn the credential, each CLU candidate must take a proctored exam for each course of study, have 3 years of full-time business experience within the five years preceding the awarding of the designation, and also complete a minimum of 30 hours of continuing education every two years. More information regarding the CLU can be found at http://www.cluhigheststandard.com/.

ITEM 3 - DISCIPLINARY INFORMATION
Nicholas Scalzo has no disciplinary history to disclose.

ITEM 4 - OTHER BUSINESS ACTIVITIES
Nicholas Braun Scalzo also serves as an owner of Claremont Financial Group, Inc. In addition, he is a registered representative with Capital Investment Group, Inc. ("CAP"). CAP is a non-affiliated broker-dealer and a member of the Financial Industry Regulation Authority ("FINRA"). In his own capacity as a registered representative of CAP, he may recommend securities and/or or investment products offered by PFA or its affiliates. When making such recommendations he may receive compensation, commissions and/or trailing 12b-1 fees from CAP for services provided to CAPs brokerage clients. However, he does not receive any compensation, commissions and/or trailing 12b-1 fees relating to services provided to Elements' clients.

ITEM 5 - ADDITIONAL COMPENSATION
Nicholas Scalzo only receives compensation under the arrangements disclosed above in ***Item 4 – Other Business Activities***.

ITEM 6 - SUPERVISION
Nicholas Scalzo is the Managing Member of The Elements Financial Group, LLC, a voting member of the investment committee. Mr, Scalzo is supervised by Christopher E. Winn, the Chief Compliance Officer. Mr. Winn can be reached at (714) 427-5800. Mr Scalzo also receives guidance from the investment committee with respect to his investment activities.

JOSHUA MOSES EMANUEL, CFA

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE
Joshua Moses Emanuel, CFA, Chief Investment Officer, b. 1979

Education:
Bachelor of Science in Business Administration, Finance, University of Pittsburgh, 2001

Business Background:
The Elements Financial Group, LLC, Chief Investment Officer, April 2010 to Present
Wilshire Associates, Inc., Principal, Head of Manager Research, Co-Chair of Investment Committee, Head of Strategy, March 2004 to April 2010

Professional Designations
Chartered Financial Analyst
The Chartered Financial Analyst (CFA) charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct. The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test a proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning. The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession. More information regarding the CFA is available at https://www.cfainstitute.org.

ITEM 3 - DISCIPLINARY INFORMATION
Joshua Emanuel has no disciplinary history to disclose.

ITEM 4 - OTHER BUSINESS ACTIVITIES
Joshua Emanuel's only business is providing investment advice through The Elements Financial Group, LLC.

ITEM 5 - ADDITIONAL COMPENSATION
Joshua Emanuel's only compensation comes from his regular salary and ownership of The Elements Financial Group, LLC.

ITEM 6 - SUPERVISION
Joshua Emanuel is the Chief Investment Officer and chair of the investment committee of The Elements Financial Group, LLC. Mr, Emanuel is supervised by Christopher E. Winn, the Chief Compliance Officer. Mr. Winn can be reached at (714) 427-5800. Mr. Emanuel also receives guidance from the investment committee with respect to his investment activities.

JEFFREY KENT OLSEN

ITEM 2 - EDUCATIONAL BACKGROUND AND BUSINESS EXPERIENCE
Jeffrey Kent Olsen, Chief Operating Officer, b. 1968

Education:

Bachelor of Social Ecology, Magna Cum Laude, University of California Irvine, 1992

Business Background:

The Elements Financial Group, LLC, Chief Operations Officer, June 2012 to Present

The Elements Financial Group, LLC, National Sales Director, May 2008 to June 2012

Pacific Financial Associates, Registered Representative, August 2008 to October 2011

John Hancock Wood Logan, Regional Vice President, August 1993 to May 2008

ITEM 3 - DISCIPLINARY INFORMATION
Jeffrey Olsen has no disciplinary history to disclose.

ITEM 4 - OTHER BUSINESS ACTIVITIES
Jeffrey Olsen's only business is providing investment advice through The Elements Financial Group, LLC.

ITEM 5 - ADDITIONAL COMPENSATION
Jeffrey Olsen's only compensation comes from his regular salary and ownership of The Elements Financial Group, LLC.

ITEM 6 - SUPERVISION
Jeff Olsen is a voting member of the investment committee. Mr. Olsen is supervised by Christopher E. Winn, the Chief Compliance Officer. Mr. Winn can be reached at (714) 427-5800. Mr. Olsen also receives guidance from the investment committee with respect to his investment activities.

Privacy Policy

Effective: March 25, 2013

Your relationship with us is based on trust and confidence and we value our relationships with our clients. In order to fulfill our responsibilities to you, we require that you provide us with current and accurate financial and personal information. We will protect the information you have provided in a manner that is safe, secure and professional. We are very committed to protecting your privacy and to safeguarding that information.

Type of Information We Require

We may require and obtain the following kinds of confidential personal information about you:

- Information on applications or other forms, such as your name, address, assets, phone number, social security number, occupation, assets, income and other financial and family information;
- Information about your transactions with us, our affiliates or with brokerages, banks and custodians with whom you hold investment or cash accounts. This information includes account numbers, holdings, balances, transaction history and other financial and investment activities.

Sharing Nonpublic Personal and Financial Information

The Elements Financial Group, LLC ("Elements") is committed to the protection and privacy of its customer's and consumer's personal and financial information. Elements will not share such information with any non-affiliated third party except:

- When necessary to complete a transaction in the account, such as with the clearing firm or account custodians;
- When required to maintain or service the account;
- To resolve customer disputes;
- When requested by a fiduciary or beneficiary on the account;
- When required by our attorneys or accountants;
- When required by a regulatory agency, or for other reasons required or permitted by law;
- In connection with a sale or merger of Elements' business;
- In any circumstance, that has the customer's instruction or consent.

Protection of Personal Information

We restrict access to your personal and account information to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards to guard your personal information.