

**FORM ADV**

**Uniform Application for Investment Adviser Registration**

**Part II – Page 1**

Name of Investment Adviser:				
<b>Merrithew &amp; Thorsten, Inc.</b>				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
9820 Willow Creek Road, Suite 260, San Diego, CA 92131				(858) 547-1845

This part of Form ADV gives information about the investment adviser and its business for the use of clients.  
This information has not been approved or verified by any governmental authority.

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(Schedule A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients )

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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Applicant: Merrithew & Thorsten, Inc.	SEC File Number: 801-	Date 10/02/2006
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1. **A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)

Applicant:

<input checked="" type="checkbox"/>	(1) Provides investment supervisory services . . . . .	20 %
<input type="checkbox"/>	(2) Manages investment advisory accounts not involving investment supervisory services . . . . .	%
<input checked="" type="checkbox"/>	(3) Furnishes investment advice through consultations not included in either service described above . . . . .	10 %
<input type="checkbox"/>	(4) Issues periodicals about securities by subscription . . . . .	%
<input type="checkbox"/>	(5) Issues special reports about securities not included in any service described above . . . . .	%
<input type="checkbox"/>	(6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities . . . . .	%
<input checked="" type="checkbox"/>	(7) On more than an occasional basis, furnishes advice to clients on matters not involving securities . . . . .	70 %
<input type="checkbox"/>	(8) Provides a timing service . . . . .	%
<input type="checkbox"/>	(9) Furnishes advice about securities in any manner not described above . . . . .	%

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

B. Does the applicant call any of the services it checked above financial planning or some similar term? . . . . . Yes  No

C. Applicant offers investment advisory services for: (check all that apply):

<input checked="" type="checkbox"/> (1) A percentage of assets under management	<input type="checkbox"/> (4) Subscription fees
<input checked="" type="checkbox"/> (2) Hourly charges	<input type="checkbox"/> (5) Commissions
<input checked="" type="checkbox"/> (3) Fixed fees (not including subscription fees)	<input type="checkbox"/> (6) Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. **Types of Clients** - Applicant generally provides investment advice to: (check those that apply)

<input checked="" type="checkbox"/> A. Individuals	<input checked="" type="checkbox"/> E. Trusts, estates, or charitable organizations
<input type="checkbox"/> B. Banks or thrift institutions	<input checked="" type="checkbox"/> F. Corporations or business entities other than those listed above
<input type="checkbox"/> C. Investment companies	<input type="checkbox"/> G. Other (describe on Schedule F)
<input checked="" type="checkbox"/> D. Pension and profit sharing plans	

**Answer all items. Complete amended pages in full, circle amended items and file with execution page ( page 1).**

Applicant:

Merrithew & Thorsten, Inc.

SEC File Number:

801-

Date:

10/02/2006

**3. Types of Investments.** Applicant offers advice on the following: (check those that apply)

- |  |   |
|--|---|
| <p><input checked="" type="checkbox"/> A. Equity Securities</p> <p><input checked="" type="checkbox"/> (1) exchange-listed securities</p> <p><input checked="" type="checkbox"/> (2) securities traded over-the-counter</p> <p><input checked="" type="checkbox"/> (3) foreign issues</p> <p><input checked="" type="checkbox"/> B. Warrants</p> <p><input checked="" type="checkbox"/> C. Corporate debt securities<br/>(other than commercial paper)</p> <p><input checked="" type="checkbox"/> D. Commercial paper</p> <p><input checked="" type="checkbox"/> E. Certificates of deposit</p> <p><input checked="" type="checkbox"/> F. Municipal securities</p> <p><input type="checkbox"/> G. Investment company securities</p> <p><input checked="" type="checkbox"/> (1) variable life insurance</p> <p><input checked="" type="checkbox"/> (2) variable annuities</p> <p><input checked="" type="checkbox"/> (3) mutual fund shares</p> | <p><input checked="" type="checkbox"/> H. United States government securities</p> <p>I. Options contracts on:</p> <p><input checked="" type="checkbox"/> (1) securities</p> <p><input type="checkbox"/> (2) commodities</p> <p>J. Futures contracts on:</p> <p><input type="checkbox"/> (1) tangibles</p> <p><input type="checkbox"/> (2) intangibles</p> <p>K. Interests in partnerships investing in:</p> <p><input checked="" type="checkbox"/> (1) real estate</p> <p><input checked="" type="checkbox"/> (2) oil and gas interests</p> <p><input type="checkbox"/> (3) other (explain on Schedule F)</p> <p><input checked="" type="checkbox"/> L. Other (explain on Schedule F)</p> |
|--|---|

**4. Methods of Analysis, Sources of Information, and Investment Strategies.**

- A. Applicant's security analysis methods include: (check those that apply)
- |   |  |
|---|--|
| (1) <input type="checkbox"/> Charting               | (4) <input type="checkbox"/> Cyclical                      |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical              |  |
- 
- B. The main sources of information applicant uses include: (check those that apply)
- |   |   |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines    | (5) <input type="checkbox"/> Timing services  |
| (2) <input type="checkbox"/> Inspections of corporate activities              | (6) <input checked="" type="checkbox"/> Annual reports, prospectuses, filings with the Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input checked="" type="checkbox"/> Company press releases  |
| (4) <input type="checkbox"/> Corporate rating services                        | (8) <input checked="" type="checkbox"/> Other (explain on Schedule F)   |
- 
- C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)
- |  |   |
|--|---|
| (1) <input checked="" type="checkbox"/> Long term purchases<br>(securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions   |
| (2) <input checked="" type="checkbox"/> Short term purchases<br>(securities sold within a year)  | (6) <input checked="" type="checkbox"/> Option writing, including covered options,<br>uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days)                            | (7) <input type="checkbox"/> Other (explain on Schedule F)  |
| (4) <input type="checkbox"/> Short sales   |   |

Answer all items. Complete amended pages in full, circle amended items and file with execution page ( page 1).

Applicant: Merrithew & Thorsten, Inc.	SEC File Number: 801-	Date: 10/02/2006
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**5. Education and Business Standards.**

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes  No

(If yes, describe these standards on Schedule F.)

**6. Education and Business Background.**

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice given to clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

• name	• formal education after high school
• year of birth	• business background for the preceding five years

**7. Other Business Activities.** (check those that apply)

A. Applicant is actively engaged in a business other than giving investment advice.

B. Applicant sells products or services other than investment advice to clients.

C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

**8. Other Financial Industry Activities or Affiliations.** (check those that apply)

A. Applicant is registered (or has an application pending) as a securities broker-dealer.

B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.

C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:

<input type="checkbox"/> (1) broker-dealer	<input type="checkbox"/> (7) accounting firm
<input type="checkbox"/> (2) investment company	<input type="checkbox"/> (8) law firm
<input type="checkbox"/> (3) other investment adviser	<input type="checkbox"/> (9) insurance company or agency
<input type="checkbox"/> (4) financial planning firm	<input type="checkbox"/> (10) pension consultant
<input type="checkbox"/> (5) commodity pool operator, commodity trading adviser or futures commission merchant	<input type="checkbox"/> (11) real estate broker or dealer
<input type="checkbox"/> (6) banking or thrift institution	<input type="checkbox"/> (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest? Yes  No

(If yes, describe on Schedule F the partnerships and what they invest in.)

**Answer all items. Complete amended pages in full, circle amended items and file with execution page ( page 1).**

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Applicant: Merrithew & Thorsten, Inc.	SEC File Number: 801-	Date: 10/02/2006
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**9. Participation or Interest in Client Transactions.**

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sells for itself securities that it also recommends to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

**10. Conditions for Managing Accounts.** Does the applicant provide investment supervisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other conditions for starting or maintaining an account? . . . . .

Yes  No

(If yes, describe on Schedule F.)

**11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory accounts, or holds itself out as providing financial planning or some similarly termed services:

A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

**See Schedule F.**

B. Describe below the nature and frequency of regular reports to clients on their accounts.

**See Schedule F.**

Answer all items. Complete amended pages in full, circle amended items and file with execution page ( page 1).

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Applicant: Merrithew & Thorsten, Inc.	SEC File Number: 801-	Date: 10/02/2006
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**12. Investment or Brokerage Discretion.**

- A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:
- |  |   |  |
|--|---|--|
| (1) securities to be bought or sold? .....               | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (2) amount of the securities to be bought or sold? ..... | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (3) broker or dealer to be used? .....                   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |
| (4) commission rates paid? .....                         | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |

- B. Does applicant or a related person suggest brokers to clients? ..... Yes  No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for products and research services received.

**13. Additional Compensation.**

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? ..... Yes  No
- B. directly or indirectly compensates any person for client referrals? ..... Yes  No

(For each yes, describe the arrangements on Schedule F.)

**14. Balance Sheet.** Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities; or
  - requires prepayment of more than \$500 in fees per client and 6 or more months in advance
- Has applicant provided a Schedule G balance sheet? ..... Yes  No

**Answer all items. Complete amended pages in full, circle amended items and file with execution page ( page 1).**

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Adviser: Merrithew & Thorsten, Inc.	SEC File Number: 801-63848	Date: 10/02/2006
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

I. Full name of Adviser exactly as stated in Item 1A of Part I of Form ADV: Merrithew & Thorsten, Inc.	IRS Empl Ident No.:
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Item of Form (identify)	Answer												
<b>Item 1.D</b>	<p>Merrithew &amp; Thorsten, Inc. ("the Adviser") conducts interviews and collects information in order to determine the financial status, risk profile and investment objectives of clients prior to making any recommendations regarding the service level and fees. The Adviser provides investment advisory services to its clients based on an Initial Retainer, Renewal Retainer, or Asset Management agreement.</p> <p><b>Initial Retainer</b></p> <p>During the first year of a client relationship the Adviser may enter into an Initial Retainer agreement. The Adviser offers Tax Planning, Tax Preparation, Insurance Review, Asset Inventory, Portfolio Analysis, Development of the Asset Allocation strategy, Financial Goals and Needs Analysis, Review of Estate Plan, and Asset Allocation recommendations under the Initial Retainer agreement.</p> <p><b>Renewal Retainer</b></p> <p>The Adviser offers Tax Planning and typically Tax Preparation, Investment Review, Net Worth Update, and Financial Planning as needed under the Renewal Retainer agreement.</p> <p><b>Asset Management</b></p> <p>The Adviser manages assets on a discretionary and non-discretionary basis and is guided by the stated objectives of the client. Fees are payable quarterly in arrears. The quarterly date is based on the date of the initial asset management agreement. Fees are based on the account's asset value as of the last business day of the prior client's quarter.</p> <p style="text-align: center;"><b>Annualized Fees</b></p> <table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: left;">From</th> <th style="text-align: left;">To</th> <th style="text-align: left;">Per Year</th> </tr> </thead> <tbody> <tr> <td>\$0</td> <td>\$999,999</td> <td>1.00%</td> </tr> <tr> <td>\$1,000,000</td> <td>\$1,999,999</td> <td>0.75%</td> </tr> <tr> <td>\$2,000,000</td> <td>And Up</td> <td>0.50%</td> </tr> </tbody> </table> <p>A client will have a period of five (5) business days from the date of signing an agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, either party may terminate the agreement with 30 days written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to the client.</p> <p>The account Custodian may charge fees, which are in addition to and separate from the investment advisory service fee. Custodians may charge accounts for various transaction costs, retirement plan and administration fees. In addition, some mutual fund assets deposited in the account may have been subject to deferred sales charges and 12 (b)(1) fees and other mutual fund annual expenses as described in the fund's prospectus. Advisory clients should also note that fees for comparable services vary and lower fees for comparable services may be available from other sources.</p>	From	To	Per Year	\$0	\$999,999	1.00%	\$1,000,000	\$1,999,999	0.75%	\$2,000,000	And Up	0.50%
From	To	Per Year											
\$0	\$999,999	1.00%											
\$1,000,000	\$1,999,999	0.75%											
\$2,000,000	And Up	0.50%											

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of  
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**Continuation Sheet for Form ADV Part II**

Adviser: <b>Merrithew &amp; Thorsten, Inc.</b>	SEC File Number: <b>801-63848</b>	Date: <b>10/02/2006</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Adviser exactly as stated in Item 1A of Part I of Form ADV: <b>Merrithew &amp; Thorsten, Inc.</b>	IRS Empl. Ident. No.:
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Item of Form (identify)	Answer
<b>Items 3.L &amp; 4.B.8</b>	<p><b>Types of Investments &amp; Investment Strategies</b></p> <p>The Adviser offers investment advice about real estate, gold coins, and alternative investments. The Adviser references the U.S. Tax Codes, IRS Regulations, and Tax Court decisions.</p>
<b>Items 5, 6 &amp; 7</b>	<p><b>Education &amp; Business Background</b></p> <p>The Adviser requires that individuals involved in determining or giving investment advice have the Certified Financial Planners designation and have any licenses required in applicable jurisdictions.</p> <p>Leslie R. Merrithew, CFP, EA was born in 1948. He earned a B.S. in Business Management from San Diego State College. Mr. Merrithew became the CFO of Merrithew &amp; Thorsten, Inc. in January 2001.</p> <p>Brandon E. Thorsten, CFP, EA was born in 1972. He earned a B.A. in Political Science from the University of California San Diego. Mr. Thorsten became the CEO of Merrithew &amp; Thorsten, Inc. in January 2001.</p> <p style="text-align: center;"><i>Other Business Activities</i></p> <p>Messrs. Merrithew &amp; Thorsten are Enrolled Agents providing Tax Planning and Tax Preparation through Merrithew &amp; Thorsten, Inc.</p>
<b>Item 9 &amp; 9.E</b>	<p><b>Client Transactions</b></p> <p>Associated persons may own an interest in or buy or sell for their accounts the same securities, which may be purchased or sold in the accounts of advisory clients. Associated persons seek to ensure that they do not personally benefit from the short-term market effects of their recommendations to clients and their personal transactions are regularly monitored. Associated persons are aware of the rules regarding material non-public information and insider trading. Associated persons may also buy or sell specific securities for their accounts based on personal investment considerations, which the Adviser does not deem appropriate to buy or sell for clients.</p> <p style="text-align: center;"><i>Code of Ethics</i></p> <p>The Adviser has adopted a Code of Ethics for the purpose of instructing its personnel in their ethical obligations and to provide rules for their personal securities transactions. The Adviser and its personnel owe a duty of loyalty, fairness and good faith towards their clients, and the obligation to adhere not only to the specific provisions of the Code but to the general principles that guide the Code. The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting 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. The Adviser will provide a copy of the Code of Ethics to any client or prospective client upon request.</p>

**Complete amended pages in full, circle amended items and file with execution page (page 1).**

**Schedule F of  
Form ADV**

**Continuation Sheet for Form ADV Part II**

Adviser: Merrithew & Thorsten, Inc.	SEC File Number: 801-63848	Date: 10/02/2006
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Adviser exactly as stated in Item 1A of Part I of Form ADV: Merrithew & Thorsten, Inc.	IRS Empl. Ident. No.
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Item of Form (identify)	Answer
<b>Items 11 (A &amp; B)</b>	<p><b>Account Reviews</b></p> <p>Mr. Thorsten reviews client portfolios. He reviews each client's statements on a monthly basis as they are received from various investment companies. All accounts reviews are guided by the client's stated objectives, risk tolerances among other factors. Reviews may be triggered by changes in an account holder's personal, tax, or financial status. There is currently no limit on the number of accounts that can be reviewed by Mr. Thorsten.</p> <p>Messrs. Merrithew and Thorsten conduct Financial Planning annual reviews.</p> <p>Brokerage statements are generated no less than quarterly. These statements are sent directly from the account custodian. These reports list the account positions, activity in the account over the covered period, and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. Messrs. Merrithew and Thorsten may provide supplemental commentary or explanation at the yearly meeting. This will be in the form of an excel spreadsheet or report generated utilizing portfolio tracking software such as Centerpiece.</p>
<b>Items 12.A (1 &amp; 2) &amp; 12.B</b>	<p><b>Discretion</b></p> <p>Under some circumstances associated persons of the Adviser may be granted the authority to select the amount of securities to be bought or sold without specific client consent. Clients may specify which broker-dealer to use or the Adviser may make recommendations. Generally, these recommendations are based on the Adviser's perception of the breath of services offered, and quality of execution. However, the client may pay commissions or fees that are higher or lower than those that may be obtained from elsewhere for similar services.</p>
<b>Item 13.A</b>	<p><b>Other Compensation</b></p> <p>The Adviser receives client referrals from Hewitt Financial Services LLC ("Hewitt") through the Adviser's participation in AdvisorConnection ("the Service"). The Service is designed to help investors find independent investment advisers. Hewitt is a registered investment adviser and broker-dealer independent of and unaffiliated with the Adviser. Hewitt does not supervise and has no responsibility for the Adviser, management, portfolios or other advice or services. The Adviser pays Hewitt fees to receive client referrals through the Service. The Adviser's participation in the Service may raise potential conflicts of interest described below.</p> <p>The Adviser pays Hewitt a participation fee on all referred clients' accounts that are maintained in custody through one or more broker-dealers maintaining a fee-sharing relationship with Hewitt and a separate fee on all accounts that are maintained at, or transferred to another custodian.</p> <p>The participation fee paid by the Adviser includes a percentage of the fees the client owes to the Adviser and an annual retainer. The Adviser pays Hewitt the participation fee for as long as the referred client's account remains in custody at Hewitt. The part of the participation fee based on the fees the client owes to the Adviser is billed to the Adviser quarterly and may be increased, decreased, or waived by Hewitt from time to time.</p>

Complete amended pages in full, circle amended items and file with execution page (page 1).

**Schedule F of  
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**Continuation Sheet for Form ADV Part II**

Adviser: <b>Merrithew &amp; Thorsten, Inc.</b>	SEC File Number: <b>801-63848</b>	Date: <b>10/02/2006</b>
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other schedules.)

1. Full name of Adviser exactly as stated in Item 1A of Part I of Form ADV: <b>Merrithew &amp; Thorsten, Inc.</b>	IRS Empl. Ident. No.:
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Item of Form (identify)	Answer
	<p>The participation fee is paid by the Adviser and not by the client. The Adviser has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs the Adviser charges clients with similar portfolios who were not referred through the Service.</p> <p>For clients accounts of the Adviser maintained in custody at broker-dealers having a fee-sharing relationship with Hewitt, Hewitt will not charge the client separately for custody but will receive compensation indirectly from the Adviser's clients in the form of commissions or other transaction-related compensation or securities trades executed through its participating broker-dealer. The Adviser acknowledges its duty to seek best execution of trades for clients' accounts. Trades for clients' accounts held in custody through Hewitt's arrangements with third party broker-dealers may be executed through a different broker-dealer than trades for the Adviser's other clients. Thus, trades for accounts custodied through these broker-dealers may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.</p> <p>The Adviser generally pays Hewitt a separate fee if custody of a referred client's account is not custodied by or assets in the account are transferred from broker dealers having fee sharing agreements with Hewitt. This separate fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Hewitt. The fee is higher than the participation fees Advisers generally would pay in a single year. Thus, the Adviser will have an incentive to recommend that client accounts be held in custody through broker-dealers having fee sharing agreements with Hewitt.</p>

**Complete amended pages in full, circle amended items and file with execution page (page 1).**