

Uniform Application for Investment Adviser Registration

Part II - Page 1

Name of Investment Adviser: <b>Ramsey &amp; Associates, Inc.</b>				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number:
<b>1730 N. Northlake Way, Suite 330</b>	<b>Seattle</b>	<b>WA</b>	<b>98103</b>	<b>(206) 324-1950</b>

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

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(Schedules 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.

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 instructions below.)

Applicant:

<input checked="" type="checkbox"/>	(1)	Provides investment supervisory services . . . . .	<u>83</u> %
<input checked="" type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services . . . . .	<u>10</u> %
<input checked="" type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above . . . . .	<u>7</u> %
<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 . . . . .	<u>&lt;1</u> %
<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 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 type="checkbox"/> E. Trusts, estates, or charitable organizations                    |
| <input type="checkbox"/> B. Banks or thrift institutions     | <input 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 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).

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

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

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

A. Applicant's security analysis methods include: (check those that apply)

- |   |             |                              |                               |
|---|-------------|------------------------------|-------------------------------|
| (1) <input checked="" 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 checked="" 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 checked="" type="checkbox"/> | Corporate rating services             | (8) <input 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 type="checkbox"/>            | Option writing, including covered options, 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).

**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
- year of birth
- formal education after high school
- 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:
  - (1) broker-dealer
  - (2) investment company
  - (3) other investment adviser
  - (4) financial planning firm
  - (5) commodity pool operator, commodity trading advisor or futures commission merchant
  - (6) banking or thrift institution
  - (7) accounting firm
  - (8) law firm
  - (9) insurance company or agency
  - (10) pension consultant
  - (11) real estate broker or dealer
  - (12) entity that creates or packages limited partnerships

(For each checked in 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).**

**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.

**For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principal and/or Associated Persons. All investment supervisory and financial planning clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation and are encouraged to review financial planning issues, investment objectives and account performance with the Registrant on an annual basis as applicable. Clients of Registrant's Ramsey and Associates Internet Investment Program are encouraged to review investment objectives and account performance with the Registrant on an annual basis.**

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

**Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts. Those clients to whom Registrant provides investment management services will have access to a quarterly report from the Registrant's website, if applicable, summarizing account status and performance. Although clients of Registrant's Ramsey and Associates Internet Investment Program will not have access to quarterly reports, they will have access to performance reports from the Registrant's website.**

**12. Investment or Brokerage Discretion.**

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

(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**

Applicant: <b>RAMSEY &amp; ASSOCIATES, INC.</b>	SEC File Number: <b>801-56341</b>	Date: <b>05/2010</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 applicant exactly as stated in Item 1A of Part I of Form ADV: <b>RAMSEY &amp; ASSOCIATES, INC.</b>	IRS Empl. Ident. No.: <b>91-1706610</b>
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Item of Form (identify)	Answer								
Item 1D	<p><b>COMBINED PLANNING AND MANAGEMENT SERVICES</b></p> <p>In the event the client determines to engage R&amp;A, R&amp;A shall charge an annual fee for financial planning and investment management services. R&amp;A's annual fee shall be prorated (for partial months) and paid monthly, in arrears, based upon the market value of the assets under R&amp;A's management on the last business day of the previous month, as follows:</p> <table style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;"><u>ASSETS UNDER MANAGEMENT</u></th> <th style="text-align: center;"><u>ANNUAL FEE</u></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">\$750,000 to \$1,000,000</td> <td style="text-align: center;">1.00%</td> </tr> <tr> <td style="text-align: center;">\$1,000,001 to \$5,000,000</td> <td style="text-align: center;">0.50%</td> </tr> <tr> <td style="text-align: center;">\$5,000,001 and over</td> <td style="text-align: center;">0.40%</td> </tr> </tbody> </table> <p><b>However</b>, the calculation and payment dates for those assets that may be designated for management by <i>Independent Manager(s)</i> (<i>see discussion below</i>), shall be determined in accordance with the terms and conditions of the <i>Independent Manager(s)</i> program or agreement.</p> <p>R&amp;A generally requires an account minimum of \$750,000 for investment management services. R&amp;A, in its sole discretion, may waive the account minimum based upon certain criteria (i.e., existing financial planning client, type of asset management services required, account composition, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, client negotiation, etc.). However, all accounts for which R&amp;A has waived the \$750,000 account minimum shall be subject to a minimum monthly fee of \$625.00.</p> <p>The scope of the ongoing annual financial planning and/or related consultation services to be rendered by R&amp;A is intended to generally be limited to reviewing/evaluating/revising R&amp;A's previous recommendations and/or services relative to a change in the client's financial situation and/or investment objectives. In the unlikely event that a client requires extraordinary financial planning and/or consultation services, R&amp;A may increase the fee during the remainder of the year, the dollar amount of which increase shall be determined by R&amp;A, and set forth in a separate written notice from R&amp;A to the client. R&amp;A's fee schedule (i.e. percentages [%]) is subject to review and change on an annual basis. However, no increase in the fee schedule shall be effective without prior written notification to the client.</p> <p>Unless the client designates otherwise, R&amp;A shall generally recommend that investment accounts be maintained at Charles Schwab &amp; Co., Inc. ("<i>Schwab</i>"). Prior to engaging R&amp;A to provide investment management services, the client will be required to enter into a formal <i>Investment Advisory Agreement</i> with R&amp;A setting forth the terms and conditions under which R&amp;A shall manage the client's assets, and a separate custodial/clearing agreement with <i>Schwab</i>. Both R&amp;A's <i>Investment Advisory Agreement</i> and <i>Schwab's</i> custodial/clearing agreement may authorize <i>Schwab</i> to debit the account for the amount of R&amp;A's investment management fee and to directly remit that management fee to R&amp;A in compliance with regulatory procedures. The <i>Investment Advisory Agreement</i> between R&amp;A and the client will continue in effect until terminated by either party by written notice pursuant to the terms of the <i>Investment Advisory Agreement</i>. R&amp;A's investment management fee shall be prorated through the date of termination. In addition to R&amp;A's investment management fee, brokerage commissions and/or transaction fees, the client will also incur, relative to all mutual fund purchases, charges imposed at the mutual fund level (e.g. management fees and other fund expenses).</p> <p>Factors that R&amp;A considers in recommending <i>Schwab</i> (or any other broker-dealer/custodian to clients) include historical relationship with R&amp;A, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by R&amp;A's clients shall comply with R&amp;A's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same</p>	<u>ASSETS UNDER MANAGEMENT</u>	<u>ANNUAL FEE</u>	\$750,000 to \$1,000,000	1.00%	\$1,000,001 to \$5,000,000	0.50%	\$5,000,001 and over	0.40%
<u>ASSETS UNDER MANAGEMENT</u>	<u>ANNUAL FEE</u>								
\$750,000 to \$1,000,000	1.00%								
\$1,000,001 to \$5,000,000	0.50%								
\$5,000,001 and over	0.40%								

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

transaction where R&A determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although R&A will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, R&A's investment management fee. R&A's best execution responsibility is qualified if securities that it purchases for client accounts are no-load mutual funds that trade at net asset value as determined at the daily market close. (See additional disclosure at Item 13A).

In addition, R&A may also recommend that certain clients authorize the active discretionary management of all or a portion of their assets among certain independent investment manager[s] (the "*Independent Manager[s]*") to be recommended by R&A, based upon the stated investment objectives of the client, in accordance with the terms and conditions of the investment management program sponsored by Envestnet Asset Management ("*Envestnet*") and such other investment management programs as R&A determines may be appropriate for its clients. The terms and conditions (including the amount of fees to be paid to the *Independent Manager[s]*) under which the client shall engage the *Independent Manager[s]* shall be set forth in a separate written agreement between the client and *Envestnet*. R&A shall continue to render advisory services to the client relative to ongoing financial planning and the monitoring and review of the *Independent Manager[s]* performance, for which R&A shall receive an annual advisory fee, to be determined and billed quarterly by *Envestnet*, in arrears, based upon a percentage of the market value of the assets on the last business day of the preceding quarter, as follows:

<u>ASSETS UNDER MANAGEMENT</u>	<u>ANNUAL FEE</u>
Initial \$1 Million	1.00%
\$1,000,001 to \$5,000,000	0.50%
\$5,000,001 and over	0.40%

Factors which R&A shall consider in recommending *Independent Manager[s]* include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated *Independent Manager[s]*, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, R&A's investment advisory fee set forth above. In addition, to the extent that *Independent Manager[s]* determine to purchase mutual funds for client account(s), the account(s) shall also incur charges imposed directly at the mutual fund level (i.e., advisory fees and other fund expenses).

Except for *Envestnet* accounts, with respect to its retainer arrangements, R&A makes recommendations, based upon the needs of the client, as to the specific securities the account may purchase or sell. Thereafter, if such recommendation is accepted by the client, R&A (unless a specific client directs otherwise) is responsible for arranging or effecting the purchase or sale of all such transactions for client accounts maintained at *Schwab*.

#### **INTERNET INVESTMENT PROGRAM**

R&A has developed an internet-based investment program (the "**Program**"). Prior to becoming a **Program** client, the client will be required to complete and/or execute certain documentation, including a **Program** agreement setting forth the contractual terms and conditions of the engagement and a *Risk Tolerance Questionnaire*. Upon review of the *Risk Tolerance Questionnaire* and if desired by the client, an initial telephone consultation between R&A and the client, R&A shall allocate the investment assets into a model portfolio (the "**Portfolio**") as determined by the *Risk Tolerance Questionnaire*. The client shall also direct R&A to allocate the investment assets within the **Portfolio** in underlying investments that are characterized by R&A as Active, Socially Responsible or Passive investment style. Thereafter, R&A is authorized, without prior consultation with the client, to rebalance the assets within the **Portfolio** on an annual basis to

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

maintain the designated asset allocation. Additionally, at R&A's discretion, R&A may also make tactical adjustments to the portfolio at any time. The underlying mutual funds and/or Exchange Traded Funds (ETFs) that comprise a **Portfolio** are subject to change at the exclusive discretion of R&A. However, R&A shall continue to manage the assets within the initial designated **Portfolio** until such time as the client has notified R&A, **in writing (electronic mail will suffice)**, that there has been a change in his/her financial situation and/or investment objectives, **and** has submitted a new **Risk Tolerance Questionnaire** for review by R&A. **Unless** the client prior notifies R&A about a change in his/her financial situation and/or investment objectives, the extent of R&A's interaction with the client shall be limited to up to three initial telephone consultations and, thereafter, a twelve (12) month annual review telephone conference to review **Account** performance and investment objectives. **It remains the client's exclusive responsibility to notify R&A of any changes in his/her investment objectives and/or financial situation.** R&A shall not be required to verify any information obtained from client and is expressly authorized to rely thereon.

All information and documentation pertaining to the **Program**, including **Portfolio** descriptions, **Risk Tolerance Questionnaire**, R&A's written disclosure statement and Privacy Notice, and **Account** reports prepared by R&A shall be exclusively described and included on this internet web site, **and** all other communications (except for the 12 month annual telephonic review discussed above, termination, and notice of death or disability) between R&A and the client shall be made primarily electronically via the web site and/or email. The service to be provided by R&A under this **Agreement** is limited to the management of the **Assets** under the **Program** and **does not** include financial planning, tax planning, insurance planning, estate planning, or any other related or unrelated consulting services.

R&A shall receive an annual advisory fee, to be determined and billed monthly, in arrears, based upon a percentage of the market value of the assets on the last business day of the preceding month, as follows:

### **RamseyInvesting.com Fee Schedule**

	<u>Assets Under Management</u>	<u>Management Style</u>	
		<u>Annual Fee (Active)</u>	<u>Annual Fee (Passive)</u>
Initial:			
	Minimum fee for portfolios <\$100,000	\$1,000	\$800
	\$100,000-\$500,000	1.00%	0.80%
Next:	\$500,000	0.50%	0.35%
All Additional:		0.40%	0.25%

#### **MISCELLANEOUS**

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

**Non-Investment Consulting/Implementation Services.** If requested by the client, the Registrant may provide consulting services regarding non-investment related matters, such as tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney, accountant or insurance agent, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant.

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

	<p><b><u>Please Note: Use of Margin.</u></b> To the extent that a client authorizes the use of margin, and margin is thereafter employed by the Registrant in the management of the client’s investment portfolio, the market value of the client’s account and corresponding fee payable by the client to the Registrant may be increased. As a result, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential <b><i>conflict of interest</i></b> whereby the client’s decision to employ margin shall correspondingly increase the management fee payable to the Registrant. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.</p> <p><b><u>Please Note:</u></b> The transaction fees charged by the custodian for RamseyInvesting.com clients are less than those paid by clients that have engaged R&amp;A to provide services outside of the <b>Program</b>. However, neither R&amp;A, nor any of its principals or associated persons, will receive any portion of the transaction fees.</p> <p>In performing both its financial planning and investment management services, R&amp;A shall not be required to verify any information received from the client or from the client’s other professionals, and is expressly authorized to rely thereon. Except for the Internet Investment Program , the client is free to accept or reject any recommendation made by R&amp;A. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify R&amp;A if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising R&amp;A’s previous recommendations and/or services, or if they wish to impose any reasonable restrictions upon R&amp;A’s management services.</p> <p>To the extent specifically requested by existing clients to do so, and agreed to by R&amp;A, R&amp;A may continue to provide annual financial planning review services on an hourly fee basis.</p> <p>In addition to R&amp;A’s non-discretionary investment management services, R&amp;A, pursuant to the terms of the <i>Investment Advisory Agreement</i> discussed above, may be granted discretionary authority (i.e., ability to effect account transactions without prior consultation or authorization from the client) limited to investment grade fixed income securities (i.e., certificates of deposit, U.S. Treasury obligations, corporate and municipal bonds, etc.) transactions for client accounts.</p> <p>Neither R&amp;A nor the client may assign the <i>Investment Advisory Agreement</i> without the prior consent of the other party. Transactions that do not result in a change of actual control or management of R&amp;A shall not be considered an assignment.</p> <p>A copy of R&amp;A’s written disclosure statement as set forth on Part II of Form ADV shall be provided to each client prior to or contemporaneously with the execution of the <i>Investment Advisory Agreement</i>. Any client who has not received a copy of R&amp;A’s written disclosure statement at least forty-eight (48) hours prior to executing <i>Investment Advisory Agreement</i> shall have five (5) business days subsequent to executing the agreement to terminate R&amp;A’s services without penalty.</p>
Item 5	All individuals that give investment advice on behalf of R&A must have earned a college degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.
Item 6	<p><b>KAREN S. RAMSEY</b>  Born: 1953  Educational Background:  University of Northern Colorado – 1975 – BS Business Administration  University of Minnesota, Minneapolis – 1975 – Attended  Business Background:  Ramsey &amp; Associates, Inc., President - 1/96 – To Date  Karen Ramsey &amp; Associates, Sole Proprietor – 10/90 – 1/96  Ramsey Seminars LLC, Sole Owner – 01/02 – To Date</p> <p><b>SHAWN DONNELLY</b>  Born: 1965  Educational Background:</p>
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	<p>University of Washington, Seattle, WA – 1988 – BA Sociology  University of Washington, Seattle, WA – 1988 – BA Speech Communication  University of Washington, Seattle, WA – 1990 – MA Sociology</p> <p>Business Background:  Ramsey &amp; Associates, Inc., Financial Planner – 9/98 – To Date  Ed Pysher, CFP, Paraplanner/Assistant – 8/95 – 8/98</p> <p><b>FABRIZIO REGOLI</b>  Born: 1963  Educational Background:  Pace University, Lubin Graduate School of Business, MBA in Finance, 1995  University of Rome, La Sapienza School of Italy, B.S. in Economics, 1990</p> <p>Business Background:  Ramsey &amp; Associates, Inc., Investment Officer, 2005 to Present  Peace Corps, 2002  Ernst &amp; Young, LLP, Manager, 2000 to 2001  L.J. Alfest &amp; Company, Inc., Investment Advisor, 1997 to 2000</p> <p><b>KIMBERLY J. PORTO</b>  Born: 1956  Educational Background:  University of Colorado, B.S. in Music Media/Sound Engineering</p> <p>Business Background:  Ramsey &amp; Associates, Inc., Senior Paraplanner, 2007 to Present  Financial Resources Group, Financial Planning Assistant, 2006 to 2007  H&amp;R Block, Tax Preparer, 2005 to 2006  Financial Planning Association, Director, 1993 to 2005</p> <p><b>AMY SEHAYEK</b>  Born: 1963  Educational Background:  California State University, Hayward, MBA in Business Administration, Finance, 1991  California State University, Hayward, BA in Business Administration, Economics, 1986</p> <p>Business Background:  Ramsey &amp; Associates, Inc., financial planner, 2009-present  American Century Investments, VP and Sr. Portfolio Manager, 1995-1999  American Century Investments, Portfolio Manager, 1991-1995.</p>
Item 7A	<p>Karen Ramsey is a shareholder of National Advisors Holdings, Inc. ("NAH"), a Delaware corporation organized in August of 1998. Ms. Ramsey holds a minority interest, in the aggregate, of the outstanding stock of NAH. NAH has formed a federal trust company known as National Advisors Trust Company ("NATC"). NATC plans to provide trust services to clients of investment advisory firms such as R&amp;A across the United States. Ms. Ramsey spends approximately zero percent of her time on NAH and/or NATC matters.</p> <p>In addition, Ms. Ramsey is the sole owner and member of Ramsey Seminars LLC, a limited liability company that provides non-investment related seminars to the general public. Ms. Ramsey spends approximately one percent of her time on Ramsey Seminars, LLC matters.</p> <p>In addition, Ms. Ramsey is a fifty percent member of R-S, LLC. R-S, LLC, is a real estate holding entity, whose sole asset is R&amp;A's office space. No clients are solicited to invest in this entity. Ms. Ramsey spends approximately one percent of her time on R-S, LLC, matters.</p>
Item 9E	<p>R&amp;A has implemented an investment policy relative to personal securities transactions. This investment policy is part of R&amp;A's overall Code of Ethics that serves to establish a standard of business conduct for all of R&amp;A's Associated Persons that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request. In addition, in</p>

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	accordance with Section 204A of the Investment Advisers Act of 1940, R&A also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by R&A or any person associated with R&A.
Item 10	Please see the previous response set forth on this Schedule "F" to Item 1D with respect to R&A's account minimum. In addition, the <i>Independent Manager(s)</i> referenced in Item 1D may impose varying minimum account values upon R&A's clients.
Items 12A and 12B	<p>Please see the previous responses set forth on this Schedule "F" to Item 1D. In addition, R&amp;A's general policies relative to the execution of client securities brokerage transactions are as follows:</p> <p><b>Execution of Brokerage Transactions (when applicable).</b> If requested, Registrant will arrange for the execution of securities brokerage transactions for the account through broker-dealers that Registrant reasonably believes will provide "best execution." In seeking "best execution," the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services including execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive commission rates, it may not necessarily obtain the lowest possible commission rates for account transactions.</p> <p>Over-the-Counter (OTC) securities transactions for Registrant's clients are generally effected on an agency basis, which involve the services of two (2) separate broker-dealers: (1) a "dealer" or "principal" acting as market-maker; and (2) the executing broker-dealer that acts in an agency capacity for the client's account. Dealers executing principal transactions typically include a mark-up/down, which is included in the offer or bid price of the securities purchased or sold. In addition to the dealer mark-up/down, the client will also incur the transaction fee imposed by the executing broker-dealer. Registrant does not receive any portion of the dealer mark-up/down or the executing broker-dealer transaction fee.</p> <p>Registrant may (but is not obligated to) combine or "batch" client orders to obtain "best execution," to negotiate more favorable commission rates or to allocate equitably among Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among Registrant's clients in proportion to the purchase and sale orders placed for each client account on any given day.</p> <p>The client may direct Registrant to use a particular broker-dealer (subject to Registrant's right to decline and/or terminate the engagement) to execute some or all transactions for the client's account. In such event, the client will negotiate terms and arrangements for the account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.</p> <p>In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant.</p> <p><u>Proxy Voting Policy.</u> R&amp;A does not vote client proxies. Therefore, although R&amp;A may provide investment advisory services relative to client investment assets, the client maintains exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. R&amp;A and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the</p>

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	<p>client's investment assets. However, with respect to those assets that may be designated for management by <i>Independent Manager(s)</i>, the <i>Independent Manager(s)</i> shall generally retain proxy voting responsibility (<i>see</i> discussion above at Item 1D).</p> <p><u>Class Action Policy.</u> R&amp;A does not pursue class actions on behalf of its clients. R&amp;A shall direct all class action related correspondence to the client.</p>
Item 13A	<p>Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, R&amp;A may receive from <i>Schwab (or a Mutual Fund Co.)</i> without cost (and/or at a discount) support services and/or products, certain of which assist R&amp;A to better monitor and service client accounts maintained at <i>Schwab</i>. In addition, R&amp;A may receive similar support services from <i>Envestnet</i>. (See R&amp;A relationship with <i>Envestnet</i> under Item 1D). Included within the support services that may be obtained by R&amp;A may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, and computer hardware and/or software and/or other products used by R&amp;A in furtherance of its investment advisory business operations.</p> <p>As indicated above, certain of the support services and/or products that <i>may</i> be received may assist R&amp;A in managing and administering client accounts. Others do not directly provide such assistance, but rather assist R&amp;A to manage and further develop its business enterprise.</p> <p>R&amp;A's clients do not pay more for investment transactions effected and/or assets maintained at <i>Schwab</i>, <i>Envestnet</i> or any Mutual Fund Co., as result of this arrangement. There is no corresponding commitment made by R&amp;A to <i>Schwab</i>, <i>Envestnet</i> or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.</p> <p><b><u>R&amp;A's President, Karen Ramsey, remains available to address any questions that a client or prospective may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.</u></b></p>

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