

Uniform Application for Investment Adviser Registration

Part II - Page 1

Name of Investment Adviser: Transition Financial Advisors Group, Inc.				
Address: (Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone number:
20 W. Juniper Avenue, Suite 101	Gilbert	AZ	85233	(480) 722-9414

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>53</u> %
<input type="checkbox"/>	(2)	Manages investment advisory accounts not involving investment supervisory services	<u> </u> %
<input checked="" type="checkbox"/>	(3)	Furnishes investment advice through consultations not included in either service described above	<u>36</u> %
<input type="checkbox"/>	(4)	Issues periodicals about securities by subscription	<u> </u> %
<input type="checkbox"/>	(5)	Issues special reports about securities not included in any service described above	<u> </u> %
<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	<u> </u> %
<input checked="" type="checkbox"/>	(7)	On more than an occasional basis, furnishes advice to clients on matters not involving securities	<u>11</u> %
<input type="checkbox"/>	(8)	Provides a timing service	<u> </u> %
<input type="checkbox"/>	(9)	Furnishes advice about securities in any manner not described above	<u> </u> %

(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 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).

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 | <input checked="" type="checkbox"/> (1) securities |
| <input checked="" type="checkbox"/> (3) foreign issuers | <input type="checkbox"/> (2) commodities |
| <input type="checkbox"/> B. Warrants | 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 checked="" 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 checked="" type="checkbox"/> Cyclical |
| (2) <input checked="" type="checkbox"/> Fundamental | (5) <input checked="" 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 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 (securities held at least a year) | (5) <input checked="" type="checkbox"/> Margin transactions |
| (2) <input checked="" type="checkbox"/> Short term purchases (securities sold within a year) | (6) <input checked="" type="checkbox"/> Option writing, including covered options, uncovered options or spreading strategies |
| (3) <input type="checkbox"/> Trading (securities sold within 30 days) | (7) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (4) <input checked="" 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 | • 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 checked="" 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 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.)

Describe, on Schedule F, your code of ethics, and state that you will provide a copy of your code to any client or prospective client upon request.

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.

Please see Item 11.A. of Schedule F

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

Please see Item 11.B. of Schedule F

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 type="checkbox"/> | <input checked="" 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 <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | <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 (unless applicant is registered or registering only with the Securities and Exchange Commission); 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: Transition Financial Advisors Group, Inc.	SEC File Number: 801-69367	Date: 03/2010
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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: Transition Financial Advisors Group, Inc.	IRS Empl. Ident. No.: 86-1019547
Item of Form (Identify) Item 1.D.	Answer <u>INTRODUCTION</u> This brochure provides information about the qualifications and business practices of Transition Financial Advisors Group, Inc. (hereafter "Transition"). Please contact Brian Dale Wruk, President of Transition, if you have any questions about the contents of this brochure. 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 Transition is available on the Internet at www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_OrgSearch.aspx . You can search this site by a unique identifying number, known as a CRD number. The CRD number for Transition is 116089. <u>INVESTMENT SERVICES</u> Transition offers a combination of the following advisory services, where appropriate, to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates or charitable organizations and corporations or other business entities. <u>FINANCIAL PLANNING SERVICES</u> Transition provides advice in the form of a comprehensive financial plan. Clients purchasing this service will receive a written report, providing the client with a detailed financial plan designed to help achieve his or her stated financial goals and objectives. Transition specializes in financial planning services for both domestically domiciled individuals, as well as those intending to change their place of residence from the United States to Canada or vice versa. A custom-tailored financial plan starts with a thorough goals and objectives setting process and contains specific recommendations on all aspects of a client's financial situation. The financial plans do not include the recommendations of specific investment vehicles nor the development of an Investment Policy Statement ("IPS"). Depending on their individual needs and circumstances, clients may utilized the following programs offered by Transition: <u>Realizing the Dream TM</u> - a comprehensive financial planning service for domestic U.S. or Canadian clients considering, or who have completed, a transition in life (retirement, passing of a spouse, purchase of a second home, departed children, etc.). <u>The Canadian in America TM</u> - a comprehensive financial planning service is for those clients considering, or who have already completed, a transition from Canada to the United States. <u>The American in Canada TM</u> - a comprehensive financial planning service for those clients considering, or who have completed, a transition from the United States to Canada. In general, the financial plan will address any or all of the following areas of concern: Cash management, income tax planning, independence planning, education planning, risk management, investment planning, estate planning, immigration planning, and customs planning. Transition gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the

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

client, and a written report is prepared.

FEES: Financial planning fees will be charged as a fixed fee, typically ranging from \$5,000 to \$50,000.

A retainer may be requested upon completion of Transition's fact-finding session with the client, however, advance payment will never exceed \$500 for work that will not be completed within six months. The balance will be due upon completion and delivery of the plan to the client. There is a \$5,000 minimum fee for financial planning services.

These fees may be negotiable under certain circumstances. Transition's financial planning fee(s) will be determined based on the net worth of the client, nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

The length of time it will take to provide a financial plan will depend on each client's personal situation. Typically, however, the financial plan will be presented to the client within 90 days of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the client.

The client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from Transition. However, at its own discretion, Transition may decide not to offer Financial Planning services to those clients who do not wish to utilize Transition's Portfolio Management Services for the implementation of the financial planning recommendations. This decision will be made by the principal officers of Transition on a case-by-case basis.

Annual Retainer Component

After the completion and delivery of the financial plan pursuant to the services described above, Portfolio Management clients will also be entered into an annual financial support and monitoring service which provides on-going financial, estate planning advice, the development of an Investment Policy Statement and specific investment recommendations. These on-going services are required in conjunction with any Portfolio Management services and are offered at no extra cost to all Portfolio Management clients.

CONSULTING SERVICES:

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, residency planning, or any other specific topic. Transition also provides specific consultation and administrative services regarding investment and financial concerns of the client.

FEES: Transition's consulting fees will be calculated based on a charge ranging from \$100 to \$600 per hour. The length of time it will take to complete the consulting service will depend on the nature and complexity of the individual client's personal circumstances. An estimate for total hours will be determined at the start of the advisory relationship.

Fees are due and payable upon completion of the consulting service. A retainer may be requested upon completion of Transition's fact-finding session with the client, however, advance payment will never exceed \$500 for work that will not be completed within six months. There is no minimum fee for consulting services.

These fees may be negotiable under certain circumstances.

SEMINARS:

Transition conducts educational seminars on various financial and tax issues involved in transitioning a place of residence from the United States to Canada or vice versa or owning property in either country when resident in the other. The information provided under this service does not purport to meet the specific objectives or needs of each individual client, but is general in nature and scope. Transition seminars are open to the public.

FEES: Transition's seminar fees range from \$50 to \$100 per person or \$75 to \$200 for two or more individuals, depending on the location of the seminar and the topics covered. There is no minimum fee for seminars.

PORTFOLIO MANAGEMENT SERVICES:

Transition also provides advice to a client regarding investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, Transition develops a client's personal investment policy and creates and manages a portfolio based on that policy. Transition will manage advisory accounts on a discretionary basis only. Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, income, or growth and income).

Transition will create a portfolio consisting primarily of no-load or load-waived mutual funds however portfolios may also include one or all of the following: individual equities, bonds and/or other investment products. Transition will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. Once the client's portfolio is determined, Transition will review the account, based on a client's particular circumstances, but no less frequently than quarterly.

The mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives; the fund's management style and philosophy; and the fund's management fee structure. Each client's individual needs and circumstances will determine portfolio weighting between funds and market sectors. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities.

During its reviews, if Transition believes that a particular investment is performing inadequately, or if Transition believes that a different investment is more suitable for the client's account, then Transition will recommend a different investment.

FEES: The annual fee for portfolio management services will be charged as a percentage of assets under management, including assets under management of any Sub-Adviser retained by Transition, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee (%)</u>
Less than \$1,000,000.01	1.00%
\$1,000,000.01 - \$2,000,000	0.85%
\$2,000,000.01 - \$3,000,000	0.75%
\$3,000,000.01 - \$5,000,000	0.65%
\$5,000,000.01 - \$7,000,000	0.50%
\$7,000,000.01 +	0.40%

A minimum of \$1,000,000 of assets under management is required for this service. This account size may be negotiable under certain circumstances.

Transition will quote an exact percentage to each client based on both the nature and total dollar

value of that account.

Unless otherwise agreed, client accounts will be directly debited quarterly in arrears at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter.

Use of Sub-Advisers:

Transition utilizes third party registered investment advisers, including, but not limited to Kathleen Day & Associates, Inc. aka The Enrichment Group ("KDA") to manage all or a portion of client portfolio assets (hereinafter "Sub-Advisers"). Transition has conducted due diligence on one or more Sub-Advisers and has entered into an agreement(s) with select Sub-Advisers to provide Portfolio Management Services to Transition clients. Factors which Transition considers in recommending Sub-Advisers include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. Investment management fees paid to the designated Sub-Advisers are typically included in Transition's Portfolio Management fees set forth above. The exact terms and conditions under which Transition will engage and compensate the Sub-Adviser shall be set forth in a separate written agreement between Transition and each Sub-Adviser. Transition monitors its Sub-Advisers and may, from time to time and in its sole discretion, hire and/or replace any Sub-Adviser as part of Transition's engagement to manage the client's portfolio(s) consistent with the client's objectives.

Transition has also contracted with KDA for certain support services, including trade processing, record maintenance, report preparation, marketing assistance, and research.

GENERAL INFORMATION:

Negotiability of Fees: In certain circumstances, all fees and account minimums may be negotiable. In addition, certain family members and personal acquaintances of Transition's affiliated persons may receive advisory services at a discounted rate which is not available to advisory clients generally.

Fee Calculation: The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Advisers Act).

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 estate planning, 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.

Termination: A client agreement may be canceled at any time, by either party, for any reason upon receipt of a two weeks written notice. Upon termination of any account, any prepaid, unearned fees

will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

Assignment: Transition may not assign client contracts without the prior consent of the client. Transactions that do not result in a change of actual control or management of Transition shall not be considered an assignment.

Please Note: Client Obligations: In performing its services, Transition 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. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify Transition if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Transition's previous recommendations and/or services.

Other Fees and Expenses: All fees paid to Transition for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus.

These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of Transition. In that case, the client would not receive the services provided by Transition which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Transition to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

In addition to Transition's advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by brokerage firms, including, but not limited to, any transaction charges imposed by a brokerage firm with which an independent investment manager effects transactions for the client's account(s).

Direct Debiting of Client Fees: Transition's management fee is deducted from client accounts, in arrears, at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value), of the client's account at the end of the previous quarter. Transition may directly debit advisory fees from the client account if the following conditions are met:

1. The client provides written authorization permitting the adviser's fees to be paid directly from the client's account held by an independent custodian.
2. The adviser sends a Fee Statement to the client and the custodian at the same time. The client's Fee Statement will show the amount of the advisory fee and how it was calculated, while the custodian's Fee Statement will only show the amount of the advisory fee.
3. The adviser informs the client that it is the client's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated.
4. The custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to the adviser.

PROXY DISCLOSURE:

	<p>As a matter of firm policy and practice, Transition does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. However, Transition may provide advice to clients regarding the clients' voting of proxies.</p>
<p>Item 3.L., 4.A(5), 4.B (8) & 4.C(7)</p>	<p style="text-align: center;"><u>TYPES OF INVESTMENTS; METHODS OF ANALYSIS, SOURCES OF INFORMATION, AND INVESTMENT STRATEGIES</u></p> <p>Transition may also provide advice about any type of investment held in a client's portfolio at the beginning of the advisory relationship.</p> <p>As discussed in the response to Item 1.D. above, Transition may recommend that clients authorize the active discretionary management of a portion or all of their assets by and/or among certain Sub-Advisers, based upon the stated investment objectives of the client. Transition shall continue to render services to the client relative to the monitoring and review of account performance, client investment objectives, and the performance of the selected Sub-Advisers.</p>
<p>Item 5</p>	<p style="text-align: center;"><u>EDUCATION AND BUSINESS STANDARDS</u></p> <p>All individuals who give investment advice on behalf of Transition 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.</p>
<p>Item 6</p>	<p style="text-align: center;"><u>EDUCATION AND BUSINESS BACKGROUND</u></p> <p>BRIAN DALE WRUK</p> <p>Born 1963</p> <p><u>Education</u></p> <p>Northern Alberta Institute of Technology - 1984, Business Administration University of Alberta - 1987, Bachelor of Commerce, Marketing, Management Science Institute of Canadian Advertising - 1989, Certified Advertising Agency Practitioner University of Arizona - 1992, MBA, Marketing, Management Information Systems</p> <p><u>Business Background</u></p> <p>Transition Financial Advisors Group, Inc, President, 01/2001 - present Transition Financial Advisors Group Canada, Inc., President, Director 08/2006 - present Transition Financial Advisors Group Canada, ULC, President, Director, 08/2006 - present Keats, Connelly and Associates, Inc., Financial Planner, 05/1997 - 01/2001</p> <p>TERRY FRANK RITCHIE</p> <p>Born 1962</p> <p><u>Education</u></p> <p>Arizona State University - 1985, BS, Finance</p> <p><u>Business Background</u></p> <p>Transition Financial Advisors Group, Inc, Investment Adviser Representative, 07/2006 - present Transition Financial Advisors Group Canada, ULC, Vice President, Director 08/2006 - present</p>

	<p>Royal Bank, Senior Manager, 09/2003 - 07/2006 KPMG, Senior Manager, 01/2001 - 09/2003 Cross Border Advisory, President, 01/1998 - 01/2001</p>
<p>Item 7.A., 7.B., & 7.C.</p>	<p style="text-align: center;"><u>OTHER BUSINESS ACTIVITIES</u></p> <p>In addition to offering its clients the advisory services described above, Transition also offers tax preparation services and engages in the sale of books authored and/or co-authored by its principal executive officers. The books address a broad range of issues involved in transitioning a residence from the United States to Canada or vice versa or owning property in either country when resident of the other. Tax preparation and book sale services provided by Transition and its principal executive officers are separate and distinct from the advisory services provided by Transition, and are provided for separate and typical compensation. No Transition client is obligated to use Transition or its principal executive officers for any tax preparation and/or book sale services, and no tax preparation client or book purchaser is obligated to utilize the advisory services of Transition or its principal executive officers.</p> <p>Principal executive officers of Transition expect to spend less than 15% of their time on these non-advisory activities.</p>
<p>Item 8.(3)</p>	<p style="text-align: center;"><u>OTHER FINANCIAL INDUSTRY ACTIVITIES OR AFFILIATIONS</u></p> <p>Transition is, by virtue of common ownership and control, related to Transition Financial Advisors Group Canada, ULC, ("Transition Canada") a Canadian-registered Investment Counselor/Portfolio Manager (ICPM) wholly owned by Transition Financial Advisors Group Canada, Inc. and indirectly owned by the Wruk Family Trust. The principal executive officers of Transition are also principal executive officers of and/or advisory representatives of Transition Canada. No Transition client is obligated to use the advisory services of Transition Canada, as no Transition Canada advisory client is obligated to use the advisory services of Transition.</p>
<p>Item 9.E.</p>	<p style="text-align: center;"><u>PARTICIPATION IN CLIENT TRANSACTION</u></p> <p>Transition does not buy or sell for itself securities that it also recommends to clients. However, individuals associated with Transition may buy or sell securities identical to or different than those recommended to clients for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.</p> <p>It is the expressed policy of Transition that no person employed by Transition may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.</p> <p>As these situations represent a conflict of interest, Transition has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <ol style="list-style-type: none"> 1) A director, (officer or member) or employee of Transition shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of Transition shall prefer his or her own interest to that of the advisory client. 2) Transition maintains a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual (specify name/title if possible) of Transition. 3) All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.

4) Transition emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where Transition is granted discretionary authority of the client's account.

5) Transition emphasizes the unrestricted right of the client to select and choose any brokerage firm and/or insurance company (s)he wishes.

6) Transition requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

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

In accordance with Section 204A of the Investment Advisers Act of 1940, as amended, Transition also maintains and enforces written policies and procedures reasonably designed to prevent the unlawful use of material non-public information by Transition or its associated persons.

Item 10

CONDITIONS FOR MANAGING ACCOUNTS

FINANCIAL PLANNING:

Transition requires a minimum fee of \$10,000 for Financial Planning clients. This fee is negotiable under certain circumstances.

Please refer to Item 1.D. of this Schedule F narrative for complete detail.

CONSULTING SERVICES:

There are no account or net worth minimums for Consulting Services clients.

SEMINARS:

There are no account or net worth minimums for seminar participants.

PORTFOLIO MANAGEMENT SERVICES:

Transition requires a minimum account of \$1,000,000 for Portfolio Management Services clients. This account size may be negotiable under certain circumstances. Transition may group certain related client accounts for the purposes of achieving the minimum account size.

Portfolio Management Services clients are also required to be entered into the Annual Retainer Component of the Financial Planning Service. However, there are no separate charges for the Annual Retainer Component to Portfolio Management Service clients.

Please refer to Item 1.D. of this Schedule F narrative for complete detail.

Item 11.A. & 11.B.

REVIEW OF ACCOUNTS:

Please Note: Client Obligations: In performing its services, Transition 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. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify Transition if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Transition's previous recommendations and/or services.

FINANCIAL PLANNING SERVICES:

REVIEWS: These client accounts will be reviewed as contracted for at the inception of the advisory

	<p>relationship.</p> <p>REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for at the inception of the advisory relationship.</p> <p>CONSULTING SERVICES:</p> <p>REVIEWS: These client accounts will be reviewed as contracted for at the inception of the advisory relationship.</p> <p>REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory relationship.</p> <p>SEMINARS:</p> <p>Seminar participants will not receive any individualized reviews or reports, but may receive informational brochures on the topics covered and/or other services offered by Transition.</p> <p>PORTFOLIO MANAGEMENT SERVICES:</p> <p>REVIEWS: While the underlying securities within Portfolio Management Services accounts are continuously monitored, these accounts are reviewed at least quarterly by Brian Dale Wruk, President of Transition or Terry Frank Ritchie, an investment adviser representative of Transition, and/or the Sub-Adviser assigned to the client's account. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.</p> <p>REPORTS: In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their brokerage firm, Transition and/or the assigned Sub-Adviser will provide quarterly reports summarizing account performance, balances and holdings.</p>
Item 12.B.	<p><u>BROKERAGE RECOMMENDATIONS:</u></p> <p>As Transition does not have the discretionary authority to determine the brokerage firm to be used or the commission rates to be paid, clients must direct Transition as to the brokerage firm to be used. Transition requests that clients direct Transition to place trades through TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC and its TD Ameritrade Institutional Program in the United States and/or Canada. TD Ameritrade is an unaffiliated SEC-registered brokerage firm and FINRA member. TD Ameritrade offers to independent investment advisers services which include custody of securities, trade execution, clearance and settlement of transactions. Transition has evaluated TD Ameritrade and believes that it will provide Transition clients with a blend of execution services, commission costs and professionalism that will assist Transition in meeting its fiduciary obligations to clients. Clients should note that Transition participates in the TD Ameritrade Institutional program ("Program") offered to independent investment advisers by TD Ameritrade. As part of the Program, Transition receives certain benefits that it would not receive if it did not offer investment advice to clients (See the disclosure at Item 13.A. of this Schedule F).</p> <p>Transition reserves the right to decline acceptance of any client account for which the client directs the use of a brokerage firm other than TD Ameritrade if Transition believes that this choice would hinder its fiduciary duty to the client and/or its ability to service the account. In directing the use of</p>

	<p>TD Ameritrade it should be understood that Transition will not have authority to negotiate commissions or to necessarily obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to the client and those charged to other clients (who may direct the use of another brokerage firm). Clients should note, while Transition has a reasonable belief that TD Ameritrade is able to obtain best execution and competitive prices, Transition will not be independently seeking best execution price capability through other brokerage firms. (Not all advisers require clients to direct it use a particular brokerage firm).</p>
<p>Item 13.A.</p>	<p style="text-align: center;"><u>ADDITIONAL COMPENSATION:</u></p> <p>As disclosed under Item 12.B. above, Transition participates in TD Ameritrade's institutional customer program and Adviser may recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between Transition's participation in the program and the investment advice it gives to its clients, although Transition receives economic benefits through its participation in the Program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations, research related products and tools, consulting services, access to a trading desk serving adviser participants, access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts), the ability to have advisory fees deducted directly from client accounts, access to electronic communications network for client order entry and account information, access to mutual funds with no transaction fees to certain institutional money managers, and discounts on compliance, marketing, research, technology, and practice management products or services provided to Transition by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Transition's related persons. Some of the products and services made available by TD Ameritrade through the Program may benefit Transition but may not benefit its client accounts. These products or services may assist Transition in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Transition manage and further develop its business enterprise. The benefits received by Adviser or its personnel through participation in the Program does not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Transition endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Transition or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of TD Ameritrade for custody and brokerage services.</p>