

Informational Cover Page

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FIRM BROCHURE

of

Paysse Jennison, Inc.

aka

Paysse Jennison Financial Advisors

Paysse Jennison

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This brochure provides information about the qualifications and business practices of Paysse Jennison, Inc. If you have any questions about the contents of this brochure, please contact us by phone or email.

Additional information about Paysse Jennison, Inc. also is available on the SEC's website at

www.adviserinfo.sec.gov

(IARD # 116752)

The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission, or by a state securities authority.

Material Changes

There are no material changes from our last ADV Part 2 March 2007.

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Item 4: Advisory Business

Paysse Jennison, Inc. (referred to as PJI) is a financial advisory firm, operating under the trade name of Paysse Jennison Financial Advisors and Paysse Jennison. The business, located on Mercer Island, Washington, has operated since 1996.

Principles

The owners are Brian E. Jennison (1942) and Rachel W. Paysse (1946). Both principals coordinate the investment policy of the firm.

Rachel Paysse has a BA from the University of Washington (1968) and CFP designation received from the College of Financial Planning, 1987. Employment in the financial services industry and business ownership is continuous since 1984.

The CERTIFIED FINANCIAL PLANNER, CFP and federally registered CFP marks are voluntary professional certification marks granted in the United States. To attain the right to use the CFP marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited US college or university. CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP Certification Examination. The examination, administered in 10 hours over a two day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full time financial planning related experience; and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP professionals.

Individuals who became certified must complete the following to maintain the right to use the CFP marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Review an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP professionals provide financial planning services at a fiduciary standard of care. This means CFP professionals must provide financial planning services in the best interest of the clients.

Brian Jennison has a BA from the University of Minnesota (1968). Employment in the retail industry, primarily in management, followed by business ownership in the financial services industry is continuous since 1962.

Overview

The primary services provided by Paysse Jennison, Inc. are investment management and hourly consulting services. We offer these services primarily to individuals, small businesses, and small business pension/profit sharing plans.

We offer investment advice on listed and over the counter securities, no load mutual funds shares, no load annuity contracts, corporate, municipalities and US government debt securities.

We do not participate in any Wrap Fee Programs.

We work with clients on an individual basis and tailor our services to their specific needs. We do not have a set model or preset plan for any client. We gather information directly from the client. The initial interview is followed by phone conversations, meetings or written reports to provide an ongoing information exchange.

We actively seek to avoid any conflict of interest. If conflicts of interest arise, we seek to resolve in our client's best interest.

Advisor Management Services

Our management services include developing and continued supervision of investment portfolios. At the initiation of these services a Letter of Agreement is signed.

- We advise on after tax money and before tax money (retirement funds).
- We do not take possession of securities or funds of any client.
- Currently, all client accounts are opened at Charles Schwab & Co., Inc. For further information see Item 12-Brokerage Practices
- All client securities are held in the client's name with the qualifying custodial brokerage firm.
- We sell no product and accept no commissions.
- Limited disbursement authority is available if a client grants us the authority to facilitate client cash flow needs. This can be between accounts with the same titling, different titling or another financial institution.
- Discretionary authority is granted in the brokerage application to buy and sell securities. We currently have \$36,743,387 (as of 3/24/2011) under our discretionary authority. (For further information see Item 16-Investment Discretion).

Advisor Consulting Services

We also offer hourly consulting. A Letter of Agreement is entered into for these services. This service is considered a project with a start date and completion date. The projects can be financial planning issues, investment planning or other topics based on the client need. Insurance products may be recommended however the client is responsible for any product purchase.

Item Five: Fees and Compensation

We seek to avoid conflict of interest. Accordingly we do not receive any third party direct monetary compensation (i.e. commissions, 12-b-1 fees or other fees) from brokerage firms or mutual fund companies. This method of compensation could create conflicts when our compensation could be increased based on our advice.

Advisor Management Services

- Our fee for services is based on a percent of assets:
 - Under \$500,000, the annual fee is 1% with a minimum annual charge of \$1,500 or 2% whichever is less, if a portfolio is accepted for less than \$150,000 .

- 500,000 to &750,000, the annual fee is \$5,000 plus .55% on portfolio value over \$500,000.
 - Over \$750,000, the annual fee is \$6,375 plus .40% on portfolio value of \$750,000.
- The fee is calculated on an annual basis and paid on a quarterly basis prior to each quarter. We use the account value on the last business day of the previous quarter and apply the fee structure. If the client has more than one account, the account values are combined for purposes of assessing the fee.
- For new accounts opening with cash, commencement fees for a partial quarter will be prorated from effective date of contract. The fee is based on the cash value of the account at the end of the initiating quarter.
- For accounts transferring cash and/or securities, the initial fee is based on the value of the portfolio at the end of the quarter in which the transfer is completed. If work occurred during the previous quarter, we will prorate the days in that quarter from the date transferred assets arrived in the account.
- Our client can pay the fees directly. Or if agreed upon by the client, PJI can withdraw the fee from a client account with a copy of the bill to the client.
- If the client has selected to have the fees withdrawn from the account(s), and there is no cash available to pay the fee, we will confirm with the client that a) we request a check, or b) sell securities in the account(s). If the client requests we sell securities in the account to cover the fee, we will use our discretion to select securities for liquidation. If the client has requested to be notified of this trade, we will do so. .
- Agreements may be terminated at any time for any reason, by either client or advisor upon receipt of written notice by the other party at the address of record for the client or advisor.
- If the Agreement is terminated before quarter end, the client will be refunded fees on a prorated basis for the quarter in which the termination occurs. The paid fee is divided by number of days in that quarter. This amount is multiplied by the number of days from the termination date to the end of the current quarter. A refund is sent to the client with an accounting of the amount. The advisory client has right to terminate the contract without penalty within five business days after entering into the contract, if the client received the required brochure less than 48 hours prior to entering the contract.
- Quarterly unpaid fees will be advanced to the next quarter and added with that current quarter fees.
- A quarterly bill statement generated by PJI is sent to the client with the fee calculation formula. The statement includes the amount of assets used as the basis of the calculation, the time period of the billing, and amount of the fee. Clients should verify the fee and compare it against a custodian's statement.
- While there is a fee schedule, fees may be negotiated at the discretion of PJI. The negotiated fee could include:
 - waiving of the \$1500 minimum for accounts where it is anticipated money will be added, either in a lump sum or on a continuous basis

- a lower percent than the stated fee schedule
- a flat fee based on the hourly rate and anticipated specified work
- Other brokerage costs associated with these services may include brokerage fees depending on the type securities purchased. For stocks, the commission (paid to the broker only) is stated on the confirm and monthly statement. For mutual funds, we use both transaction funds and One Source Funds (Schwab platform) and the selection of the fund is determined by what we believe to be appropriate for the client's portfolio. Any transaction fee is clearly stated on the confirm and monthly statement. For fixed income secondary trades, a markup schedule applies and the net price and yield are stated on the confirmation.
- Mutual funds have an expense factor. This is an indirect cost as the expense factor affects the return of that investment. When selecting no load and load waived funds, we consider the expense factor inherent in mutual funds and seek to minimize this factor. Any 12b1 fee associated with the fund is considered part of the expense factor.

Consulting Services

Our fee for service is \$175 per hour. A flat fee may be negotiated based on the hourly rate and the anticipated specified project.

We generally provide an estimate of the fee payment in advance and bill at project intervals or at the completion of the project. If the project is not completed or is not completed to client satisfaction, fees may be prorated or dismissed.

Item Six: Performance-Based Fees and Side-by-Side Management

We do not participate in this type of fee structure.

Item Seven: Types of Clients

We primarily provide services to individuals, small businesses, and small business retirement plans.

Our minimum fee for portfolio management is \$1500. This equates to a \$150,000 portfolio value. We will accept portfolio under \$150,000 if there is a reasonable assumption that this account will have additional money added. Our account minimum is \$75,000.

Item Eight: Methods of Analysis, Investment Strategies, and Risk of Loss

Method of Analysis

Our security analysis is based upon a number of factors including those derived from commercially available software technology, securities rating services, general economic and market and financial information, and specific investment analyses that clients may request.

The main sources of information include commercially available investment information and evaluation services, financial newspapers and journals, academic white papers and periodicals. Prospectuses, statements of additional information, other issuer prepared information and data aggregation services (Morningstar Advisor, Value Line etc.) may also be utilized. We also attend various investment and financial planning conferences.

Investment Strategy

Our fundamental strategy is to develop a core portfolio with reasonable expenses and low turnover of portfolio positions. We define core portfolio as a portfolio balanced between asset classes, style and size and inherent risk within each factor. The elements are:

- **Diversification**

We believe that the fundamental difference between loanership (fixed income) and ownership (equities) categories is the starting point in formulating a core portfolio. The asset allocation adopted for a client may be the most significant factor affecting the gross returns of the invested portfolio. We recommend an allocation to fixed income and equities based on the assets available. We review the historical returns of each asset class and levels of risk. Historically, fixed income has returned less but also fluctuated less in terms of loss of value.

 - **Fixed Income**
 - Within fixed income, we diversify between different categories including government and corporate debt. If within the corporate category we recommend lower quality, higher yielding securities, we emphasize the higher volatility compared to other types of bonds during client meetings.
 - **Equity**
 - Within the equity allocation, we primarily diversify among equity funds with large/midcap, small cap and foreign holdings. We explain capitalization and the growth-value style factor and the historical return significance of these characteristics.
 - Within the equity allocation, we do advise on single stocks, generally only when we deem there are sufficient assets to allow diversification. We consider the definition of sufficient to be relative to the total client profile.
 - **Cash Balances**
 - Cash balances may be considered part of the fixed income allocation.
 - Cash in clients' investment accounts is swept into a money market fund of the custodian Charles Schwab Co., Inc.
 - We review routinely the cash balances from distributions, contributions etc. and access the appropriate use of cash.
 - While it is not our practice to maintain a large amount of cash, such may be undertaken at the request of the client.
 - Cash is also maintained in the account for paying fees.
- **Turnover of portfolio positions**

The securities we place in a client's account are generally intended to be in the portfolio unless the asset class allocation changes, cash needs arise or the security is deemed unsuitable. We do not attempt to outguess the direction of the market.

We consider the current (macro and micro) market environment and current client needs and will shift assets between cash, fixed income and equity as we deem appropriate and client input. We do not sell product and our fee is based on the total portfolio, not asset classes. It follows that we do not have a conflict of interest in giving this advice.

We will take profits in a security position for cash needs or to open up another security position in order to reset cost basis or diversify a profitable investment.
- **Low expense – see below and Item 12: Brokerage Practices**

Investment Types and Selection

- Mutual Funds – We use only no load funds. We seek funds with low expense ratios compared to other funds in the same asset class. Our general due diligence begins with reviewing Morningstar information. We review the ranking within the fund’s category as defined by Morningstar. We review the management track record, historical performance, and fund family history. Some funds may have a high turnover rate as part of the prospectus description.
- Single Bonds – We primarily purchase individual bonds utilizing only bonds rated A and higher.
- Single Stocks – We utilize large cap stocks in portfolios. As a rule we do not use small cap stocks or foreign stocks not available on US markets. General due diligence begins with Value Line research aided by research from Schwab such as S&P reports, Ned Davis research, Schwab proprietary research, Argus research and Morningstar research.
- Exchange Traded Fund – We use ETF’s where we believe the characteristics of an index fund will benefit an allocation. The primary research Morningstar and industry publications.
- Annuities -- Within the category of variable annuities, we recommend only no commission, low cost products, primarily the Vanguard annuity. If a client possesses a high cost variable annuity, we may recommend a rollover or to another annuity contract or redemption depending on the tax ramifications and surrender charges.

Client Profile

We develop a client profile through meetings, and other communications. Our investment strategy is applied based on client representations.

We begin this by assessing client risk parameters, goals, and financial situation. We determine the investable assets that the client would like us to manage. We determine the titling of the assets. We generally recommend that a client view the total of the assets, and not separate assets for allocation purposes based on the titling.

We try to find a balance between the risk of investing in the capital markets and the risk of not investing. The recommended percent of assets allocated to different asset classes is determined by quantitative and qualitative factors.

- Quantitative factors include age, current income, and retirement income sources, life style based on historical spending patterns, debt level, client time frame and total assets.
- Qualitative factors include our perception of the clients risk tolerance obtained by asking probative questions and reviewing a client completed questionnaire. We believe that our considerable experience in providing financial services and advice help us to analyze client risk parameters and explain risk factors.

Due to the long term nature and volatility of investing, we emphasize the necessity for a cash reserve. We encourage our clients to maintain a reserve account outside of our managed account. If there is an agreed on cash reserve, not available for investing, within the managed portfolio, we may exclude this from the fee.

We generally recommend that a client pay off any debt before new cash. We believe it would be a conflict of interest if we recommended otherwise.

We also develop cash withdrawal strategies with our clients who need to utilize the portfolio for income. We recommend a certain amount of cash be kept out of the capital markets to meet the withdrawal requirements. If this is in a managed portfolio and we are actively monitoring the cash flows for withdrawal purposes, the cash is included in the fee. Clients will not be charged an advisory fee on a cash reserve that is not actively managed by the advisor.

Risk of Loss

- **Inherent risk of capital markets**
Investing in securities involves a risk of loss that clients should be prepared to bear. We believe risk is inherent when investing in the capital markets.

One source of risk is systematic risk, risk associated with all investments and not unique to a given investment and includes market risk, inflation risk, interest rate risk, currency risk.

- We believe and tell our clients that when investing the client is subjected to declines in the value of their portfolios, which at times can be dramatic. We tell our clients that investing in the capital markets should be long term in nature.
- On the other hand, inflation is also a real risk, a risk of loss purchasing power. Historically, real rates of return, a return over inflation, have come from equities.
- When we recommend bonds, we caution that any change in the direction of interest rates present a risk to the value of currently held bonds. The risk of default is also a factor.
- Investing in foreign companies involves investing in non US dollars. Fluctuating currencies is a risk that may impact the value of any foreign holdings.

Unsystematic risk is another source of risk and includes business risk, financial risk and country risk. These risks are specific to a firm and an investment. An advisor can attempt to mitigate such risks by diversification.

- **Specific risk with core portfolio strategy**
A core portfolio is a strategy that provides an allocation to fixed income securities and equity securities. We believe the future return of an asset class is inherently uncertain. Historically, fixed income securities are less volatile (as defined by standard deviation) with less return than equity securities over a long period of time. If there is an allocation to fixed income, at a time when the stock market is increasing in value, the return on the portfolio may be less than that of the equity market. If there is allocation to fixed income at a time when equity is decreasing in value, the allocation may not be sufficient to protect all of the downside potential of the equity market.

Item Nine: Disciplinary Information

Paysse Jennison, Inc. has no legal or disciplinary action against it.

Item Ten: Other Financial Industry Activities and Affiliations

Paysse Jennison, Inc. is a fee only advisor. For administrative purposes, we have a relationship with Charles Schwab Co., Inc. . We use this custodial brokerage for expediency of reporting and trading. (For further information see Item 12: Brokerage Practices)

Rachel Paysse is Certified Financial Planner and maintains the designation through continuing education and bound by ethics agreement specified in the Standards of Professional Conduct.

Brian Jennison and Rachel Paysse participate in voluntary activities, none of which present a significant amount of time in relationship to managing our advisory business.

Item Eleven: Code of Ethics

Code of Ethics

Paysse Jennison, Inc. has adopted a Code of Ethics. The key component of our Code of Ethics states:

- Act in the best interests of each and every client;
- Act with integrity and dignity when dealing with clients, prospects and others;
- Strive to maintain and continually enhance our high degree of professional education;
- Seek at all times to preserve our firms' independence and to maintain our complete objectivity with respect to our advisory services and each recommendation made to our clients.

Paysse Jennison, Inc. will provide a complete copy of the Code of Ethics to any client or prospective client upon request.

Participation in Client Transactions and Personal Trading

We may invest in the same securities held by our clients. These are mutual funds or similar publically traded investments where ownership is unlikely to present any conflict of interest. Full disclosure will be given to a client at any time it appears that Paysse Jennison, Inc. has a material interest in an investment being recommended to the client.

The timing of the purchase of the same security also is unlikely to present of conflict of interest. If there is potential of our purchase, affecting the price of a stock, bond or ETF, we will refrain until the client's position is complete.

Item Twelve: Brokerage Practices

The Custodian and Brokers We Use

PJI does not maintain custody of your assets that we manage (although we may be deemed to have custody-see Item 15 Custody below). Your assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. We recommend and request that our clients use Charles Schwab Co., Inc (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian. We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend and request that you use Schwab as custodian/broker, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so. Even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account as described below (see "Your Brokerage and Custody Costs").

How we Select Brokers/Custodians

We seek to recommend a custodian who will hold your assets and execute transactions on terms that are, overall, most advantageous when compared to other available providers and their services. We consider a wide range of factors, including among others:

- Capability to execute, clear, and settle trades (buy and sell securities for your account)
- Capability to facilitate transfers and payments to and from accounts such as check requests, journals, and transfers to other custodians
- Breadth of available investment products (stocks, bonds, mutual funds and ETFs, etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of service
- Competiveness of the price of those services (commission rates, margin interest rates, etc.) and willingness to negotiate the prices
- Reputation, financial strength, and stability
- Prior service to us and our other clients
- Availability of other products and services that benefit us, as discussed below (see “Products and Services Available to US From Schwab”)

Your Brokerage and Custody Costs

For our clients’ accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but it is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. This commitment benefits you because the overall commission rates you pay are lower than they would be otherwise. Any trade away (trade made at another custodian and securities or cash deposited to Schwab) will include a flat dollar amount in addition to any commission or other compensation you pay the broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most of the trades for your account. We have determined that having Schwab execute most trades is consistent with our duty to seek “best execution” of your trades. Best execution means the most favorable terms for a transaction based on relevant factor, including those listed above (see “How We Select Brokers/Custodians”).

Products and Services Available to Us From Schwab

Schwab Advisor Services is Schwab’s business serving independent investment advisory firms like us. They provide us and our clients with access to its institutional brokerage—trading, custody, reporting and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available various support services. Some of those services help us manage or administer our clients’ accounts, while other services help us manage and grow our business. Schwab’s support services generally are available to us as long as our clients collectively maintain a total of at least \$10 million of their assets in accounts at Schwab.

Services That Benefit You. Schwab’s institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. We take advantages of these services.

Services That May Not Directly Benefit You. Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We may use this research to service all or a substantial number of

our clients' accounts. In addition to investment research, Schwab makes available software and other technology that:

- Provide access to client account data such as trade confirmations, and statements
- Provide pricing and other market data
- Facilitate payment of our fees from our clients' accounts
- Assist with back-office functions, recordkeeping and client reporting

We take advantage of these services.

Services That Generally Benefit Only Us. Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on compliance needs
- Publications and conferences on practice management and business succession
- Consulting on technology, compliance, legal and business needs

Schwab may provide some of these services. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits, such as occasional business entertainment.

We take advantage of these services routinely through attending day educational seminars and educational conferences held in different parts of the country.

We do not receive client referrals from Charles Schwab Co., Inc. or any other institution or agent.

Our Client management is done on an individual basis. We trade for the client as requested or deemed necessary based on the overall objective of the Client. When possible and to the benefit of each Client involved, we will aggregate trades. Aggregation of trades may result in lower trading fees to the Client.

Our Interest in Schwab's Services

The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We don't have to pay for Schwab's services so long as our clients collectively keep a total of at least \$10 million of their assets in accounts at Schwab. The \$10 million minimum may give us an incentive to recommend and request that you maintain your account with Schwab, based on our interest in receiving Schwab's services that benefit our business rather than based on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a potential conflict of interest. We believe, however, that our selection of Schwab as custodian and broker is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services that benefit (see "How We Select Brokers/Custodians") and not that Schwab's services that benefit us only. We do not believe that recommending and requesting our clients to collectively maintain at least \$10 million (current assets at Schwab is approximately 37 million) of those assets at Schwab in order to avoid paying Schwab quarterly services fees of \$1200 presents a material conflict of interest.

Item Thirteen: Review of Accounts

As management persons, we periodically review client accounts at least quarterly when we prepare our quarterly reports. We review the quality of the holdings, suitability of the holdings, allocation, returns and cash position.

More frequent reviews are initiated due to a scheduled client meeting, client request, cash flow needs.

PJI provides quarterly reports, portfolio reports and billing statements, to managed clients, in written or electronic format. Portfolio reports are generated from our CMS, client management system. The reports include account positions, valuation and performance.

See Item 5 for itemized billing statement reports. We also present a client letter with the report commenting on current market events. We write the client communication. We do not purchase it from a vendor.

Item Fourteen: Client Referrals and Other Compensation

We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors whose clients maintain their accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to us of Schwab's products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

We do not provide direct compensation to anyone who provides referrals. We may take a referral source out to lunch and may or may not pay for the lunch.

Item Fifteen: Custody

Under government regulations, we are deemed to have custody of your assets if, for example you authorize us to instruct Schwab to deduct our advisory fees directly from your account. Schwab maintains actual custody of your assets. You will receive account statements directly from Schwab at least quarterly. They will be sent to the email or postal mailing address you provided Schwab. You should carefully review those statements promptly when you receive them. We also urge you to compare Schwab's account statements with reports you receive from us. Please see Item 5 regarding the itemized billing statement.

Item Sixteen: Investment Discretion

PJI has discretionary authority over PJI Advisor Management Service Client accounts for purposes of trading. The discretionary authority is given to the Advisor by the Client by initialing the authorization on the brokerage application.

Before we accept this authority, we proceed in the following manner:

Advisor Responsibility

- Assist the client in designing an investment plan which conforms to the Client's risk parameters. Identify investment companies, managers and investment vehicles for the recommended allocation of assets.
- Accept discretion to execute transactions on the account in line with attached investment policy statement and continually supervise portfolio to maintain integrity of portfolio. Periodically examine investment allocations and rebalance if appropriate.
- Attempt to meet with Client at least annually to review investment portfolio under Advisor's supervision and determine if the current Client allocation and objectives conform to the investment plan formulated by Client and Advisor. If circumstances warrant, the investment plan will be revised.
- Provide Client with a written quarterly report, detailing account positions, valuation, and performance and billing statement. Client has access to electronic monthly statements and confirmations from the brokerage firm. Advisor also receives duplicate copies of all brokerage records.

- Monitor account statements, address and/or registration changes, facilitate withdrawals and deposits, prepare account correspondence and be available to discuss client financial concerns. Advisor will consult with Client's other professional advisors if requested.

Client Responsibility

The Client acknowledges that effective asset allocation and risk management requires active participation by the Client and will:

- Participate in portfolio review at least on an annual basis.
- Understand Advisor is downloading all information from appropriate brokerage firm pertaining to the account.
- Understand Advisor does not accept possession of clients' securities or funds.
- Inform Advisor of any and all major changes in financial status which may impact ability to bear any losses associated with the investment portfolio.
- Refrain from placing trades directly into an account that is under our management.
- Understand that we do not provide legal or tax/accounting advice and that it is the client responsibility to consult with such advisors.

A client can place limitations by requesting that we not use certain types of security, i.e., single stocks, or foreign companies.

Item Seventeen: Voting Client Securities

- We offer clients the choice of voting proxies themselves or asking PJI to vote. The Client grants the Advisor the right to vote a proxy for them by indicating this authority on the brokerage application.
- If PJI votes the proxy, it does so at its sole discretion. We review the proxy material and submit a vote. As a practice, we believe that a quality company's board should run the company and consequently are cautious about taking positions that the board does not approve.
- Clients who chose to vote their own proxies receive their proxies directly from the custodian.
- Proxies are reviewed and voted when received. A copy of the voted proxy is maintained in the annual proxy folder. The proxy material is kept in file and maintained for 5 years in storage.
- We do not maintain relationships or hold consequential positions in the securities that we carry in clients' accounts that would cause us to vote in opposition to the best interests of our clients
- If you, the Client, does not agree with PJI proxy vote, the Client may rescind the authorization to do so by notifying the brokerage firm that you wish the proxies be sent directly to you.
- We do not receive 12b-1 fees which could cause us to vote in favor of mutual fund proxies that include higher 12b-1 payouts or any other remuneration.
- Clients can request information about our procedures for voting proxies and how we voted proxies of companies that they own. Clients can do this by writing or emailing us.

Item Eighteen: Financial Information

PJI has discretion. We do not have financial conditions which impair our ability to meet contractual obligations.

Item Nineteen: State Registered Advisors

Education — Please reference ADV 2, page 4, Item 4, Advisory Business, Principles.

Other activities—we do not engage in other business other than giving investment and financial planning advice.

Performance Based Fees—we do not use performance based fees.