

**Part 2A of Form ADV: Firm Brochure**

Item 1 Cover Page

**April 28<sup>th</sup>, 2014**

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This brochure provides information regarding the qualifications and business practices of DeGreen Capital Management, LLC. If you have any questions about the content of this brochure you may contact us at 480.609.9900 or by email at [debey@degreen.com](mailto:debey@degreen.com). The information in this brochure has not been approved or verified by the U.S. States Securities and Exchange Commission or by any state securities authority.

Additional information regarding DeGreen Capital Management, LLC is available on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 Material Changes

No material changes for 2013 to present

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#### Item 4 Advisory Business

**DeGreen Capital Management (DCM)** is an independent fee-only third party manager specializing in equity and bond investing. DCM primarily invests using U.S.-traded exchange-traded funds (ETFs), and may occasionally also invest in individual U.S.-traded stocks. It has infrequently also used certain mutual funds. **DeGreen Capital Management became registered with the Securities Exchange Commission effective 11/1/2012.** After having reached the required threshold of at least \$110,000,000 of total assets under management on 9/5/2012,

DeGreen Capital Management, LLC (DCM) provides fee-only portfolio management services by selectively allocating Exchange Traded Funds (ETFs), primarily among U.S.-traded equity, and fixed-income exchange-traded funds (ETF's). It may also allocate among **common stocks** offered on major U.S. exchanges, in a manner consistent with its ongoing research and proprietary methodology.

The firm was founded September 18, 2008. It did not begin marketing its services to outside investors until January, 2010.

Keith P. DeGreen is the firm's sole owner through the **Keith P. DeGreen Sole & Separate Property trust dated 8/30/1993 restated 9/26/2006**

The minimum aggregate account requirement for new accounts is \$1,000,000 for persons investing directly with DCM, and \$500,000 for persons investing through other financial advisors. The minimum for each individual account is \$100,000.00. DCM may make exceptions to this policy on a case by case basis. Your account does not become ineligible to receive services if your account drops below the initial investment amount due to market conditions.

Upon completion of the DCM General Investment Advisory Agreement, clients sign a limited power of attorney granting DCM discretion as to what securities are purchased and sold, as well as the amount of securities purchased and sold.

DCM has an arrangement with Charles Schwab to provide custodial service for separate client accounts and execute transactions. DCM will not maintain custody of any client funds or securities. All assets of DCM will be custodied by Charles Schwab, or other approved custodians. Clients may pay commissions higher than those obtainable from other brokers in return for products and services. However, DCM only receives fees, and not commissions. All fees are discussed and agreed upon in advance, prior to either party entering into the relationship. Clients have the responsibility to review their monthly or quarterly statement(s) in order to assess the investment strategy and performance and call either their financial advisor or DCM to review their concerns and make potential changes.

All accounts managed by DCM are discretionary. As of February 11<sup>th</sup> 2014 the firm managed 325 separate accounts at Charles Schwab, totaling \$127,615,849.86, as valued by Charles Schwab & Co. Inc. We refer to these assets as DCM's Separate Accounts Program.

## Item 5 Fees and Compensation

### **Separate Accounts Program**

**DeGreen Capital Management, LLC (DCM) provides fee-only portfolio management services by selectively allocating primarily among U.S.-traded equity, and fixed-income exchange-traded funds (ETF's), and occasionally among common stocks (and infrequently among mutual funds) offered on major U.S. exchanges, in a manner consistent with its ongoing research and proprietary methodology. Separate accounts program assets are held at Charles Schwab & Co. Inc.**

**DCM offers three ways to access its Separate Accounts Program: DeGreen Platinum, DeGreen Direct & DeGreen Plus:**

#### **DeGreen Platinum:**

As of April, 2014 our **DeGreen Direct Platinum Program** is available to investors for whom we manage at least \$5,000,000. Benefits include a personal suitability interview with Keith DeGreen, reduced fees, events, frequent email communications from Keith DeGreen, and special briefings at our Scottsdale office.

#### **DeGreen Direct:**

As of April, 2014 our **DeGreen Direct Program** was available to investors for whom we manage between \$1,500,000 and \$4,999,999. Its benefits include reduced fees (from DeGreen Plus), a personal suitability interview with Keith DeGreen, frequent communications from Keith DeGreen, and special events.

#### **DeGreen Plus:**

As of April, 2014 our **DeGreen Plus Program** was available to all investors with aggregate portfolios of at least \$1,500,000, for whom we manage at least \$1,000,000, who access our program through an independent advisor. DeGreen Plus participants receive the same portfolio management services by DCM as other investors, receive regular communications from Keith DeGreen as other investors do, and may participate at least once each year at client conferences. DeGreen Plus investors typically have a more detailed personal suitability interview conducted at our Scottsdale office by an independent financial advisor. This usually occurs after DeGreen-Plus participants meet briefly with Keith DeGreen. Their independent advisor may also provide them with solutions to other financial planning issues. DeGreen Plus may be well suited to the needs of many investors who have additional financial, estate or tax-planning issues, or who may need additional guidance.

With respect to DCM's Separate Accounts Program at Charles Schwab, DeGreen Capital Management, LLC (DCM) charges a quarterly management fee in advance, calculated at the maximum rate noted below, based on each client's aggregate assets under management (AUM) at the end of each quarter. The management fee is payable at the beginning of each calendar quarter, and is automatically debited from each clients' account(s) at Charles Schwab. The management fee for the first quarter in which the client opens an account is based on the account value at quarter end and will be prorated if such

quarter is less than a full quarter. If a client has multiple accounts, the assets under management will be aggregated to determine a total client relationship. The total client relationship amount will be used to determine the annual fee percentage for all the related accounts. Should a client leave before the end of the quarter the client is entitled to a refund of unused management fees. The refund will be calculated based on the date of termination by dividing the original fee amount by the number of days in the quarter. The product will then be multiplied by the days remaining in the quarter. This amount will be refunded to the client. The refund will take two (2) weeks or less to process.

In addition to the annual fee, clients are also charged transaction fees by the Custodian and not by DCM for all transactions. DCM does not participate in any way in these transaction costs. This amount is charged by the custodian of assets, Charles Schwab, and is currently \$19.95/1000 shares; however, currently, for investors electing e-delivery of confirmations and statements, Schwab's charge for DCM clients is \$6.95 per trade. The custodian's charges are subject to change at any time. The exact amount and frequency of these extra fees will vary. ERISA accounts are not eligible for e-delivery.

DCM reserves the right under certain circumstances, to reduce its fees depending on the size and nature of an investor's accounts. Fees are deducted directly from client(s) accounts held at Charles Schwab. Should a client terminate their investment advisory contract during the quarter the client will receive a refund of unused advisory fees. DeGreen Capital Management, LLC (DCM) does not charge performance-based fees for its Separate Accounts program.

**DeGreen Platinum Maximum Fees**

<u>Value of Client Accounts</u>	<u>Maximum Annual Fee Percentage</u>
\$5,000,000 – \$9,999,999	.85%
\$10,000,000+	.75%

**DeGreen Direct Maximum Fees**

<u>Value of Client Accounts</u>	<u>Maximum Annual Fee Percentage</u>
\$1,500,000 - \$1,999,999	1.25%
\$2,000,000 - \$2,999,999	1.10%
\$3,000,000 - \$4,999,999	.95%

**DeGreen Plus Maximum Fees**

The fees below are consolidated, meaning that DCM will pay its advisor representatives, correspondent advisors ("co-advisors") and their representatives, and portfolio managers ("sub-managers") from the fees listed below.

Consolidated Maximum Fee Schedule:

<u>Value of Client Accounts</u>	<u>Maximum Annual Fee Percentage</u>
\$1,500,000 - \$1,999,999	1.95%
\$2,000,000 - \$2,999,999	1.60%
\$3,000,000 - \$4,999,999	1.45%
\$5,000,000 - \$9,999,999	1.25%
\$10,000,000+	1.10%

Brokerage commissions charged by Schwab are in addition to DCM's maximum annual investment advisory fees, which are disclosed in the Fees and Compensation disclosure above. DCM does not participate in any brokerage commissions that are associated with its investment management program.

Item 6 Performance-Based Fees and Side-By-Side Management

DeGreen Capital Management, LLC (DCM) does not charge performance based fees for its Separate accounts program.

**Potential Conflict of Interest**

DeGreen Capital Management's Policies and Procedures prohibit the front-running of transactions to benefit any client or employee of the firm, including Mr. DeGreen.

Item 7      Types of Clients

DeGreen Capital Management, LLC accepts the following as clients:

1.      Individuals
2.      Pension and Profit Sharing Plans
3.      Trusts, Estates and/or Charitable Organizations
4.      Corporations or business entities other than those listed above

Item 8      Methods of Analysis, Investment Strategies and Risk of Loss

DeGreen Capital Management, LLC (DCM) applies proprietary valuation protocols in connection with the following securities analysis methods:

1. Fundamental analysis
2. Technical analysis
3. Cyclical analysis

DCM's proprietary analysis method may best be described as a modified "growth at a reasonable price" calculation. This methodology was developed by Keith DeGreen, originally as a way to manage his own portfolio. Mr. DeGreen actively participates as an investor in DCM's Separate Accounts Program. He therefore invests as our clients invest. See further explanation below

Throughout each trading day, DCM converts world market data received from Bloomberg Professional Services into our calculations. Our goal is to identify the world's most promising markets and sectors at any given time. DCM typically accesses these markets, or rotates among them, using U.S.-traded exchange-traded funds.

Within DCM's Separate Accounts Program at Charles Schwab, DCM maintains essentially two portfolios: Wealth Preservation and Growth. What differs among our individual clients is the extent to which they are allocated into each. A client's allocation is based on that client's personal Investment Suitability Interview with either Keith DeGreen or, in the case of DCM's DeGreen-Plus Program, with an independent advisor.

Therefore allocations between "Growth" and "Wealth Preservation" within the Separate Accounts Program may vary among clients. Mr. DeGreen, for example, is allocated 80% toward Growth and 20% toward Wealth Preservation.

DCM may also obtain information to be used for investment purposes through conferences, periodicals, research reports, books and online resources, and through travel, including international travel.

Although DCM only invests in U.S.-traded securities, some securities may represent investments in foreign markets. Emerging and or international markets may involve risks not commonly associated with the purchase and sale of investments in the United States. These risks include, but may not be limited to:

1. Risk of nationalization and expropriation of assets of confiscatory taxation
2. Social, economic, and political uncertainty
3. Dependence on exports and the corresponding importance of international trade and commodities prices
4. Less liquidity of securities markets
5. Potentially higher rates of inflation including hyper-inflation
6. Decisions to discontinue support for economic reform programs and imposition of centrally planned economies
7. Less stringent laws regarding the fiduciary duties of officers and directors and protection of investors

While DCM may take what it, in its sole discretion, believes to be appropriate steps to mitigate risk, it cannot and does not warrant that it can or will reduce or eliminate all such risks. As with all investments,

U.S., emerging and/or international market investing may result in loss of some, or all, of your invested principal.

Using only U.S.-traded securities, DCM may invest in:

1. Equity Securities
  - a. Exchange-listed securities
  - b. Securities traded over the counter
  - c. Foreign Issuers
2. Corporate debt securities
3. United States Government securities  
Commodities

While DCM primarily uses ETFs (Exchange Traded Funds) to invest in various markets and sectors, it may also use other investment vehicles such as common stock and mutual funds at its discretion.

The firm uses the term “Marktors” to describe its investment philosophy. “Marktors” combines two words: Markets and sectors.

Item 9      Disciplinary Information

The firm has not been subject to any disciplinary actions.

Item 10 Other Financial Industry Activities and Affiliations

DeGreen Capital Management, LLC (DCM) has entered into a selling agreement with Integrated Wealth Management which is affiliated with Geneos Wealth Management. At the current time IWM pays DCM a flat monthly rate.

DeGreen Capital Management, LLC (DCM) has entered into selling agreements with the following Broker-Dealers:

1. Geneos Wealth Management
2. First Financial Equity Corporation (FFEC). As of September, 2012, FFEC has submitted no new business to DCM in more than a year

Integrated Wealth Management, a Scottsdale, Arizona, registered investment advisor affiliated with Geneos Wealth Management, pays a flat monthly marketing fee to Keith DeGreen Productions Inc., a media production company owned by Keith DeGreen, to generate potential client leads for that firm. Neither DCM, nor Keith DeGreen Productions, nor Keith DeGreen participate in commissions and fees generated by Integrated Wealth Management.

DeGreen Capital Management is not otherwise affiliated with any other related person or entity.

One DCM client with one account pays DCM directly for management services within the Separate Accounts Program. All other clients' fees are deducted automatically from their accounts as described above.

Keith DeGreen is licensed to practice law in Arizona & Ohio. His status is "inactive" in Ohio, and "Active" in Arizona. However, he does not practice law in either state. .

Keith DeGreen has a life & disability insurance license in Arizona; however, he does not market or sell insurance.

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Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

DeGreen Capital Management, LLC (DCM) has adopted a Code of Ethics by which its officers and staff are required to abide. Officers and staff members are required to provide DCM with a written acknowledgement regarding the Code of Ethics. The Code of Ethics covers the following areas:

1. Definition of Terms
2. Standard of Conduct & Statement of General Fiduciary Principles
3. Protecting Inside Information
4. Restrictions on Personal Investing
5. Reporting Personal Securities Transactions and Accounts
6. Monitoring Personal Securities Transactions
7. Administration of Code of Ethics and Violations
8. Acknowledgement of Code of Ethics

DCM currently attaches a complete copy of the "Code of Ethics" with this brochure.

In all cases where clients and DCM, or its related persons, may own an interest in the same security, certain rules are observed as guidelines:

1. The interest of the client will always have priority over the interest of DCM in any and all transactions wherein both parties hold a mutual interest. While DCM endeavors at all times to put the interest of the clients first as part of its fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of Applicant when making recommendations.
2. Neither related persons, nor DCM may purchase or sell securities ahead of clients. All trades for related persons are to be conducted in compliance with DCM's Code of Ethics. Whenever possible, an average price will be used whereby clients and related-person trades will be placed in the account, at an average price per share, and all parties shall receive the same average price per share.

Item 12 Brokerage Practices

DeGreen Capital Management, LLC (DCM) uses Charles Schwab and Company Inc. for the custody of client assets within its Separate Accounts Program. Within this program, separate accounts are maintained for each client, DCM's management. Charles Schwab, as custodian, assesses transaction costs for all trades that occur within a client's separately managed account(s). DCM does not participate in, or profit from, these charges. These costs, which are also incurred within mutual funds, but which are reflected in their total returns but not separately reported, are normal and customary expenses. These transaction costs are assessed in addition to DCM's management fees, and in addition to the other advisors' asset management fees, if any.

Charles Schwab currently offers a substantial discount on most transaction fees provided that the client accepts e-delivery of trade confirmations and monthly email statements from Schwab. To qualify, the client must elect e-delivery on the account application and/or sign up for e-delivery on Schwab's website. ERISA accounts are not eligible for e-delivery.

Item 13      Review of Accounts

**Separate Accounts Program**

Within DCM's Separate Accounts Program, and as more fully disclosed in DCM's Investment Advisory Agreement, each client is responsible for advising DCM whether their allocation between "Growth" and "Wealth Preservation", as determined in their initial Investment Suitability Interview, remains appropriate for them. Therefore, the frequency of such reviews depends entirely on the client. DCM does not conduct periodic one-on-one reviews with clients.

Compliance supervisory reviews are conducted by DCM's designated compliance officer, Donald R. Ebey. Each client account is reconciled by Charles Schwab and Company Inc., on a monthly basis, prior to issuance of each client's monthly portfolio summary. Compliance supervisory reviews are generally conducted on a quarterly basis; however, the occurrence of other circumstances may necessitate more frequent reviews.

Clients have the ability to receive daily reports on-line through Charles Schwab. Additionally, they receive monthly statements from Charles Schwab, as custodian. DCM may provide clients with performance and other reports upon request.

Clients may request a meeting at the offices of DCM at any time. However, DCM does not provide formal one-on-one periodic reviews with clients.

DCM does not prepare financial plans. It is therefore the client's responsibility to notify DCM or other advisor of changes in their investment objectives or investment suitability.

Item 14 Client Referrals and Other Compensation

Under the terms of a selling agreement between DCM and Geneos Wealth Management, a Broker-Dealer, Integrated Wealth Management (IWM), a Scottsdale registered investment advisor affiliated with Geneos, may at times place certain client assets with DCM, and DCM may refer certain clients to IWM. When IWM places client assets with DCM, DCM & IWM share in management fees charged by DCM in what DCM refers to as the “DeGreen-Plus” program. In such instances, clients will pay more for DCM’s services than they would pay if they invested directly with DCM. However, those clients receive additional guidance from IWM. A DeGreen Plus client’s annual DCM management fee may be as much as seventy-five (75) basis points (three quarters of one percent) higher than the fee they would otherwise pay by investing directly with DCM. This increase includes the portion of DCM’s fee shared with IWM.

Under no circumstances does DCM participate in commissions charged by IWM.

Keith DeGreen Productions Inc. is a media marketing company. It is solely owned by Keith DeGreen. Keith DeGreen Productions Inc. is paid a flat monthly marketing fee by IWM. The amount of this fee is negotiated annually, and is currently \$15,000.00 per month Keith DeGreen Productions may also charge IWM additional sums for special marketing projects.

Clients referred to IWM by either Keith DeGreen Productions or DCM may not be charged higher fees or commissions by IWM than what IWM charges other clients. However, it may be in IWM’s financial interest to place client assets with DCM.

Item 15 Custody

**Separate Accounts Program**

Charles Schwab currently provides all custodial services for Client accounts within DeGreen Capital Management's (DCM's) Separate Accounts Program. DCM is named as Advisor for said accounts. However, DCM may also select other custodians in its sole and absolute discretion. At no time will DCM have, or exercise custody over, Client's account(s).

DCM may assist Client in transferring assets from existing accounts to their investment account(s) with DCM, but will not take custody of Client's funds, and shall not be responsible for any activity in the accounts from which funds are being transferred.

The selected Custodian(s) shall value the securities in Client's account(s) in accordance with commonly accepted securities industry practices.

Item 16 Investment Discretion

**Separate Accounts Program**

DeGreen Capital Management, LLC (DCM) manages client accounts on a discretionary basis only. DCM's discretion shall be limited to the purchase and sale of publicly-traded investments, available on U.S. exchanges. Client grants DCM a Limited Power of Attorney (LPOA) for said purpose. This LPOA also authorizes DCM to deduct management fees from their account(s). DCM is granted complete and unlimited trading authority on the securities in which DCM invests. The termination of the Power of Attorney shall constitute the termination of the Investment Advisory Agreement. The Investment Advisory Agreement must be signed by the client and accepted by DCM before any transactions are made on behalf of a client.

Item 17 Voting Client Securities

Except as may be requested or required for certain accounts by the Employee Retirement Income Security Act of 1974 ("ERISA"), DCM shall be under no obligation to take action with respect to proxy votes or class-action lawsuits in connection with the securities held in Client's account(s). No proxy voting will be conducted unless authorized by the client, and agreed to in writing by DCM.

Item 18 Financial Information

At the close of the 2012 calendar year, DCM shall have an audited balance sheet prepared. Otherwise, this section is not applicable to DeGreen Capital Management, LLC.

Item 19 Requirements for State-Registered Advisers

This section is not applicable to DeGreen Capital Management, LLC.

**Part 2B of Form ADV: Brochure Supplement**

Item 1 Cover Page

**9/17/2012**

**Keith P. DeGreen**

DeGreen Capital Management LLC  
4800 N. Scottsdale Rd. #1500  
Scottsdale, AZ 85251  
480.609.9900  
888.708.9110

This brochure supplement provides information about Keith P. DeGreen that supplements the DeGreen Capital Management, LLC, brochure as contained in Form ADV Part II 2A, which you should have received. Please contact Donald R. Ebey Jr. at 480.609.9900 or call toll-free at 888.708.9110 if you did not receive DeGreen Capital Management, LLC's brochure/Form ADV Part II or if you have any questions about the contents of this supplement.

Additional information about Keith DeGreen is available on the SEC website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Item 2 Educational Background and Business Experience

**Keith P. DeGreen (Born: August 18, 1949)**

**Education**

Miami University of Ohio, Oxford Ohio (1967-68, 1970-1972) B.S. Political Science with Honors.  
University of Cincinnati School of Law (1972-1975) JD,  
International Board of Standards for Certified Financial Planners, CFP, (1987).  
U.S.M.C. (1968-1970). Vietnamese Language School. Purple Heart. Honorably discharged as Sgt. E-5.

**Experience**

**Industry Direct**

2008 – Present: DeGreen Capital Management (DCM) - CEO & Portfolio Manager  
2009: Author, *The Emerging Markets Book*  
2006 – 2008: Research sabbatical.  
Travelled internationally and developed DCM's portfolio methodology.  
1996 – 2006: Principal and majority shareholder, DeGreen Wealth Management LLC  
Sold firm in late 2006.  
1996 – 2005: SunAmerica Securities (successor to The Advisors Group) - Registered Representative  
1990 – 1996: The Advisors Group - Registered Representative

**Related**

1996 – 2006: Principal, DeGreen Law Offices PLLC (Arizona)  
2005 – Republican Candidate for Governor of Arizona. Withdrew due to a family illness.  
1990 – Present: CEO, President DeGreen Consulting Corporation, a consulting firm.  
1990 – Present: CEO, President, Keith DeGreen Productions Inc., a marketing firm.  
1988: Arizona's Republican Candidate for U.S. Senate. Defeated.  
1989 – 2007: Host, Keith DeGreen Personal Finance Show, NewsTalk 550, KFYI, Phoenix AZ  
2010 – Present: Host, Keith DeGreen Personal Finance Show, NewsTalk 550, KFYI, Phoenix, AZ.  
1978 – 1989: President, WealthBuilder\$ Inc., a personal finance training company  
1975 – 1978: Keith DeGreen Attorney at Law, PLLC (Ohio)  
2008 - 2009: Safeguard Securities – Registered Principal.  
As a courtesy only to house securities licenses. Did not engage in the sale of securities.  
2010 (three months): First Financial Equity Corporation (FFEC) – Registered Representative.  
As a courtesy only to house securities licenses pending completion of a selling agreement between DeGreen Capital Management and FFEC).

Item 3 Disciplinary Information

**Keith DeGreen has no disciplinary history.**

Item 4 Other Business Activities

Keith DeGreen is the author of "The Emerging Markets Book", a definitive analysis of emerging markets. Mr. DeGreen may publish new editions in the future.

Keith DeGreen is president of DeGreen Consulting Corp. which is a consulting firm at which he spends approximately two (2) hours per week.

Keith DeGreen is president of Keith DeGreen Productions, a marketing company, at which he spends approximately five (5) hours per week (including time hosting radio show, below).

Mr. DeGreen hosts a personal finance radio show in Phoenix, Arizona for two hours each Sunday.

Keith DeGreen is an attorney. He maintains "active" status with the State Bar of Arizona, but does not practice law at this time. He maintains "inactive" status with the State Bar of Ohio.

Keith DeGreen has a Life, Health & Disability Insurance license; however, he is inactive in this industry.

Item 5 Additional Compensation

Keith receives no additional compensation

Item 6 Supervision

Donald R. Ebey Jr. has been designated as the firm's Chief Compliance Officer. Donald can be contacted at 480.609.9901 or 480.609.9904 via facsimile transmission.

Item 7 Requirements for State-Registered Advisers

Not applicable.

# CODE OF ETHICS

## DEGREEN CAPITAL MANAGEMENT

REV 01-15-10

### 1. Definitions

- (a) "Access person" means any director, trustee, officer, general partner, or advisory person of the Advisor.
- (b) "Advisor" means DeGreen Capital Management
- (c) "Advisor personnel" means any employees, officers and directors of the Advisor.
- (d) "Advisory person" means (i) any employee of the Advisor or of any company in a control relationship to the Advisor, who, in connection with his or her regular functions or duties, makes, participates in, or obtains information regarding the making of any recommendations with respect to purchases or sales of securities; and (ii) any natural person in a control relationship to the Advisor who obtain information concerning recommendations made to the Advisor with regard to the purchase or sale of covered securities by an investment company.
- (e) "Beneficial ownership" shall be interpreted in the same manner as it would be under Rule 16a-1(a)(2) under the Securities Exchange Act of 1934 in determining whether a person is the beneficial owner of security for purposes of Section 16 of the Securities Exchange Act of 1934 and the rules and regulations thereunder.
- (f) "Control" shall have the same meaning as that set forth in Section 2(a)(9) of the Investment Company Act.
- (g) "Covered security" means a security as defined in Section 2(a)(36) of the Investment Company Act, except that it does not include:
  - (1) Direct obligations of the Government of the United States;
  - (2) Bankers' acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, including repurchase agreements; and
  - (3) Shares issued by open-end registered investment companies.
- (h) "Investment company" means a company registered as such under the Investment Company Act of 1940 and for which the Advisor is the investment advisor. DeGreen Capital Management does not act as an investment advisor to any investment companies (mutual funds).
- (i) "Purchase or sale of a covered security" includes, among other things, the writing of an option to purchase or sell a covered security.

### 2. Standard of Conduct and Statement of General Fiduciary Principles

The following general fiduciary principles shall govern personal investment activities and the interpretation and administration of this Code:

The interests of clients of the Advisor must be placed first at all times;

All personal securities transactions must be conducted consistent with this Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of an individual's position of trust and responsibility;

Advisor personnel should conduct themselves with honesty, integrity, professionalism and not take inappropriate advantage of their positions;

Advisor personnel are expected to conduct themselves in compliance with federal and state securities laws and in compliance with firm policies and procedures;

Information concerning the identity of security holdings, and financial circumstances of clients is confidential;

The principle that independence in the investment decision-making process is paramount.

This Code does not attempt to identify all possible conflicts of interest, and literal compliance with each of its specific provisions will not shield Advisor personnel from liability for personal trading or other conduct that violates a fiduciary duty to investment advisor clients and investment company shareholders.

#### 1. Protecting Inside Information

DeGreen Capital Management has a policy related to the misuse of inside information. In addition, under this Code, "Advisory Personnel" and "Advisory Persons" are to prevent access to material non-public information about the adviser's recommendations, client holdings and transactions, and restrict access to this information only to those persons on a need-to-know basis.

#### 1. Restrictions on Personnel Investing Activities -- Blackout Periods and Pre-Clearance Requirements

. *Purchase/Sale Restrictions* - No access person shall execute a securities transaction in a covered security on a day during which, to his/her knowledge, any investment advisory client has a pending "buy" or "sell" order in that same security until that order is executed or withdrawn. Clients are to receive execution priority over access persons.

. *Pre-Clearance of IPO and Private Placements* – Any investment in an IPO or Private Placement must be pre-approved through the DeGreen Capital Management Personal Securities Transaction Pre-Clearance Process.

#### 1. Reporting Personal Securities Transactions, and Accounts

##### (a) Initial Holdings Reports

(1) Every access person shall report to the Advisor, no later than 10 days after the person becomes an access person, the following information:

(A) The title, number of shares (for equity securities) and principal amount (for debt securities) of each covered security in which the

access person had any direct or indirect beneficial ownership when the person became an access person;

(B) The name of any broker, dealer or bank with whom the access person maintained an account in which any securities were held for the direct or indirect benefit of the access person as of the date the person became an access person; and

(C) The date that the report is submitted by the access person.

(b) Quarterly Transaction Reports.

(1) Except as otherwise provided below, every access person shall report to the Advisor, no later than 30 days after the end of each calendar quarter, the following information:

(A) With respect to transactions in any covered security in which such access person has, or by reason of such transaction acquires, any direct or indirect beneficial ownership in the covered security:

(i) The date of the transaction, the title, the interest rate and maturity date (if applicable) and the number of shares (for equity securities) and the principal amount (for debt securities) of each covered security involved;

(ii) The nature of the transaction (i.e., purchase, sale or any other type of acquisition or disposition);

(iii) The price of the covered security at which the transaction was effected;

(iv) The name of the broker, dealer or bank with or through which the transaction was effected; and

(v) The date that the report is submitted by the access person.

(B) With respect to any account established by the access person in which any securities were held during the quarter for the direct or indirect benefit of the access person:

(i) The name of the broker, dealer or bank with whom the access person established the account;

(ii) The date the account was established; and

(iii) The date that the report is submitted by the access person.

(2) Notwithstanding Section 4(b)(1) of this Code, an access person need not make a report to the Advisor where the report would duplicate information required to be recorded under Rules 204-2(a)(12) or 204-2(a)(13) under the Investment Advisers Act of 1940.

(3) An access person need not make a quarterly transaction report under this section if the report would duplicate information contained in broker trade confirmations or account statements received by the Advisor with respect to the access person during the applicable time period, provided that all of the information required by Section 4(b)(1) is contained in the

broker trade confirmations or account statements, or in the records of the Advisor.

(c) Annual Holdings Reports

(1) Not later than January 31 of each year, every access person shall report to the Advisor annually the following information (which must be current as of December 31 of such year).

(A) The title, number of shares (for equity securities) and principal amount (for debt securities) of each covered security in which the access person had any direct or indirect beneficial ownership;

(B) The name of any broker, dealer or bank with whom the access person maintains an account in which any securities are held for the direct or indirect benefit of the access person; and

(C) The date that the report is submitted by the access person.

(d) Monitoring Personal Securities Transactions

Personal Securities and Transaction Reports and Holding Reports will be reviewed on a periodic basis.

(e) Exception

A person need not make a report under this section with respect to transactions effected for, and covered securities held in, any account over which the person has no direct or indirect influence or control.

(f) Disclaimer

Any report under this section may contain a statement that the report shall not be construed as an admission by the person making such report that he or she has any direct or indirect beneficial ownership in the security to which the report relates.

1. Administration of Code of Ethics and Violations

(a) Reporting Violations

a. This Code of Ethic requires that any “Advisory Personnel” and “Advisory Persons” that observe a violation of this Code of Ethics promptly report violations or self report violations the Chief Compliance Officer or a member of Senior Management of DeGreen Capital Management in the absence of the Chief Compliance Officer.

(b) General Rule

The Advisor must use reasonable diligence and institute procedures reasonably necessary to prevent violations of the Code.

(c) Sanctions

Upon discovering a violation of this Code, the Advisor may impose such sanctions as it deems appropriate, including, among other things: verbal warning, written warning, disgorgement of profits, a letter of censure, suspension or termination of the employment of the violator.

1. Disclosure to Clients

A summary of this Code of Ethics will be included on disclosure documents including Form ADV Part II. Client may receive the detailed information by requesting a copy of the firm's Code of Ethics.

# **DeGreen Capital Management LLC**

## **Code of Ethics Acknowledgement Form**

I have received a copy of the DeGreen Capital Management LLC "Code of Ethics". I understand that it is my responsibility to review this document, understand this document and abide by the provisions of this document including the provision to report violations.

Print Name: \_\_\_\_\_ Today's Date: \_\_\_\_\_

Signature : \_\_\_\_\_

Acknowledgement Received by Compliance: \_\_\_\_\_

Chief Compliance Officer: \_\_\_\_\_