

Firm Brochure
(Part 2A of Form ADV)

Tellone Management Group, Inc.
A Registered Investment Advisor

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This brochure provides information about the qualification and business practices of Tellone Management Group, Inc. If you have any questions about the contents of this brochure, please contact us at: 714-921-2102, or e-mail us at info@tellone.com. 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. In addition, registration by Tellone Management Group, Inc. alone does not imply a certain level of skill or training.

Additional information about Tellone Management Group, Inc. is available on the SEC's website at www.adviserinfo.sec.gov

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Material Changes

[Annual Update, Material Changes since the Last Update, Full Brochure Available](#)

- 4 The Advisory Fee Schedule was revised and updated (p. 8).

Advisory Business

Firm Description

Tellone Management Group, Inc., (hereafter, TMG), has been helping clients manage their financial assets and wealth portfolios for many years, and provides exceptional service from qualified individuals in the securities and financial planning industry. Through our established business contacts and relationships, TMG is able to provide its clients with the latest research capabilities, a low expense structure, and advanced information systems.

Active Wealth Management incorporates proactive asset management strategies to adapt to the current market environment. TMG, an active wealth management company, utilizes this in order to add value to clients' accounts through short-term trading and long-term wealth accumulation. The result is reduced risk and increased returns through proper management of market exposures.

This is what makes TMG what it is today. The implementation of active management of our client portfolios; constant reevaluation of account holdings; and trading large- and mid-cap securities to enhance the return in the portfolios we manage. We maintain a commitment to personal service, including regular client contact via phone conferences or in house meetings. We give special attention to focus on interval reviews of asset allocation and goals for retirement planning.

Our Investment committee collectively gathers data to identify and analyze new stocks, exchange traded funds, bonds, and other alternative investments. Our committee meets regularly to decide which assets offer the best opportunities for client accounts, while considering the client's individual risk tolerance and the current market environment. Should a client need advice regarding a certain holding, we have all the best research and analytical tools in the nation, including but not limited to Reuters Research, Value Line, Argus, Lowry's, Standard & Poor's Stock and Bond Reports, NYSE Market Trend Analysis, and Morningstar.

With the use of pooled portfolio funds, TMG also allows qualified investors the opportunity to participate in a diversified asset management. Each partnership offers an individual

management strategy, ranging from conservative fixed income to growth oriented capital appreciation investments. Currently, we have eleven pooled portfolios to select from.

We realize how important financial peace of mind is to our clients, therefore, our number one objective is to help them realize and maintain their financial goals and independence. By integrating our services into one comprehensive program, we strive to maximize the overall net worth of our clients.

Principal Owner

Dean C. Tellone is President and sole owner of Tellone Management Group, Inc., an investment advisory business that provides investment advice and financial planning. Mr. Tellone attended the University of Arizona in Tucson. He received a Bachelor of Science Degree in Accounting in 1971 and a Masters in Business Administration from California State Polytechnic University, Pomona, California in 1987. He graduated from the College for Financial Planning in 1988.

Mr. Tellone is also President of Tellone Financial Services, Inc., a business that specializes in accounting and tax services for individuals, partnerships, corporations, and trusts. The company has been in existence since 1975.

Mr. Tellone holds the following professional designations:

Series 2 - Non Member General Securities Exam - NASD 12/13/85
Enrolled Agent (EA) with the IRS - 4/22/91
Certified Financial Planner, (CFP®) - 9/12/88

Types of Advisory Services

TMG manages investment accounts for many types of clients, including individuals, retirement accounts, trusts, estates, charitable organizations, corporations, small businesses, and partnerships. In most instances, TMG will provide complete supervisory services for discretionary accounts. Management of client portfolios will be unique to each client's investment goals, and will account for the client's retirement needs, liquidity requirements, objectives and preferences, and other related circumstances. Management of client accounts will include analysis of investment portfolios, implementing trading and transaction procedures, and monitoring account allocation and performance. At times, TMG also provides investment management or advice for client accounts on a non-discretionary basis. This service might include market timing recommendations, general investment advice, investment allocation guidelines, or monitoring an account periodically without direct supervisory services being provided.

Tailored Relationships

Based on financial goals, risk levels, age, retirement, and a whole array of investments needs, each relationship with the advisor will be tailored to fit the needs of the investor. TMG is not a one-size-fits-all investor. There are no pre-set profiles or investment plans geared to the advisors' desires. Each investor has discretion in their account to include and/or exclude certain equities and investment vehicles to suit their own desires and goals.

Agreements

Clients will be required to sign the investment advisory agreement at the time they invest. The agreement stipulates the fee schedule that will be discussed with the advisor to clarify any issues or concerns that may arise.

Financial Planning

Budget – At their request, TMG works with clients in order to determine their current and future living expenses, set financial goals, and to coordinate their expenditures and investments to meet their expectations. To assist clients in this area, TMG may develop a Balance Sheet, Cash Flow Statement, or Income Tax Estimate.

Retirement – TMG reviews, takes inventory, and analyzes all resources available for retirement. TMG projects future retirement needs, estimates qualified retirement benefits, and determines viable solutions to help meet the client's retirement goals.

Estate – TMG works with clients to help develop estate dissolution strategies designed to reduce estate taxes and provide efficient transfer of assets.

Reviews of financial plans will be made upon client's request.

Retainer Agreement

Specific client relationships that include an ongoing delivery of multiple services, investment, financial, estate, tax planning, or accounting, may be provided on a retainer basis. These relationships will be documented with a detailed client retainer agreement.

Investment Management Agreement/Client Profile

Clients who engage TMG for the purpose of receiving asset management will be required to complete an Investment Management Agreement and Client Profile Assessment. These documents provide the client with the terms and conditions pertaining to the management of their assets and provide TMG valuable personal information regarding the client's financial situation and risk tolerance.

Assets Under Management

As of the last annual filing of TMG's ADV amendment with the Securities Exchange Commission, the total assets under management was calculated to be \$182,819,000.

Fees and Compensation

Description & Fee Billing

Compensation for investment management varies according to the client/advisor account relationship. Generally, client accounts will be charged a quarterly investment management and advisory fee based on a percentage of the total portfolio value. TMG carefully analyzes all securities in each account to determine an accurate total portfolio value. The fees will be paid in arrears at the end of each quarter, and will be deducted automatically from the managed account. TMG's current fee schedule for such accounts is as follows:

<u>Managed Assets</u>	<u>Annual Percentage Rate</u>
Less than \$1,000,000	1.00%
\$1,000,000 but less than \$2,000,000	.90%
\$2,000,000 but less than \$3,000,000	.80%
\$3,000,000 but less than \$4,000,000	.70%
\$4,000,000 but less than \$5,000,000	.60%
\$5,000,000 or more	.50%

The minimum annual advisor's fee per account is \$100.

Compensation for some investment management services, such as non-discretionary accounts or those not involving direct supervisory services, may vary from the schedule above. Also, in certain circumstances, compensation may be pre-negotiated between client and advisor. In these instances, TMG will be compensated by a specified percentage of assets under management, on an hourly basis, or through a set and pre-arranged fixed fee.

In addition, clients are subject to a minimum management fee of \$100. This schedule and rate may be negotiated when the client requests their own custodian.

TMG also manages private Limited Partnership accounts that consist of pooled investment portfolios designed to allow qualified investors the opportunity to participate in a diversified fund. TMG receives compensation monthly from these accounts based upon the individual partnership agreements.

TMG is compensated for Financial Planning services based on a quoted rate which will be provided to the client prior to services. Clients are billed at the end of each month for services provided during such period.

Other Fees

In addition to fees charged directly by TMG, client accounts may be subject to other costs related to brokerage commissions or related service fees assessed by the custodian. TMG uses an approach when dealing with such cost that is geared to provide the client with the best value and service experience.

Performance Based Fees

Sharing Capital Gains

To avoid any conflicts of interest, TMG does not utilize any type of performance based fee schedule as compensation for its management services.

Types of Clients

Description

TMG provides investment advice to a variety of clients. While the majority of clients are individuals who choose to open up both brokerage accounts and IRAs (Contributory, SIMPLE, SEP, Rollover, Roth, etc.), the advisor also manages trust accounts, pension plans, corporate accounts, and partnerships.

Account Minimums

Presently, there is no established minimum to open a brokerage or IRA account. The limited partnerships that TMG manages have minimums pre-established in their partnership agreements and these would be discussed when opening such an account.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

When analyzing potential investments and monitoring existing positions, TMG uses a comprehensive approach that includes cyclical, technical, and fundamental analysis. Utilizing a top-down method that analyzes key macroeconomic variables and broad market technical indicators, TMG begins with thorough analysis of the big picture in order to make economic forecasts and best identify strong sectors. From there, analysis of individual companies is used to refine and determine which investments provide for the best risk-adjusted returns. Stock selection criteria include, but are not limited to, measures of financial health, profitability, sustainable and increasing dividends, and fair value assessments. Potential catalysts to unleash value and provide price appreciation are also critical considerations.

The main sources of outside data and professional opinion used by TMG in performing its analysis are independent investment research, financial periodicals, corporate rating services, market timing reports, prospectuses, and filings with the Securities and Exchange Commission. As a Schwab Institutional Advisor, TMG also has access to Charles Schwab & Co., Inc. research departments for use in analyzing specific investments.

Investment Strategies

As a registered investment advisor that strives to provide active asset management, TMG is not a buy and hold investment advisor. Specific strategies may vary between accounts due to client specific goals and risk tolerance levels. TMG recognizes the dynamic nature of the market and incorporates proactive asset management strategies to adapt to the current market environment. We attempt to add value with a dual emphasis on short-term trading and long-term wealth accumulation.

Short-term strategies include:

- trading to profit on temporary market inefficiencies

- short positions to hedge portfolio risk and enhance returns
- ETFs for hedging, sector rotation, and capitalizing on broad overbought and oversold conditions in the market
- options for hedging, speculation, and additional income.

Long-term strategies are evident in a core asset allocation that is diversified between asset classes and company sectors. Additionally, TMG believes in reducing risk by maintaining adequate exposure to alternative investments that do not respond to market volatility.

Typical portfolios consist of stocks of companies that:

- have demonstrated strong competitive advantages
- are likely to be sustainable far into the future
- are financially sound
- have strong positions in stable and highly profitable industries
- have good management.

Risk of Loss

TMG continually assesses risk and reward within its investments and utilizes strategies to control for various types of risk; however, there is no guarantee that TMG will be able to achieve the stated goals of its managed portfolios. As such, risk factors should be considered before investing. Among others, these include:

- Purchasing Power Risk – The risk that future inflation will cause the purchasing power of cash flow from an investment to fall
- Reinvestment Rate Risk – The risk that falling interest rates will cause the cash flow from an investment to fall when the principal or interest payments of that investment are reinvested at lower rates
- Interest Rate Risk – The risk that a change in interest rates, especially rising rates, will cause the market value of a fixed-income security to fall
- Market Risk – The risk that changes in overall market prices will cause changes in the market value of a specific security
- Exchange Rate Risk – The risk that an appreciating home-country currency, compared to a foreign currency, will cause an investment in a foreign security denominated in the foreign currency to be worth less, in dollar terms, than what that investment would have been worth if the currency rates had remained stable
- Business Risk – The risk associated with the nature of the business
- Credit Risk – The risk that an enterprise's financial condition will deteriorate, resulting in a downgrading of its debt
- Default Risk – The risk that an enterprise's financial conditions will deteriorate to the point where it will not meet its financial obligations, most commonly illustrated by an issuer of a bond issue not paying interest and/or principal when due

- Event Risk – The possibility that an investment will be adversely affected by an unanticipated and damaging event
- Financial Risk – The risk associated with the extent to which debt has been used to finance a company's operations
- Marketability Risk – The risk that an investment does not have an active market within which to trade the investment
- Liquidity Risk – The degree of uncertainty associated with the time it takes to sell an investment with a minimum of capital loss from the current market price

While TMG is committed to a low fee structure and best trade pricing, frequent trading and increased turnover may increase trading costs and carry adverse tax consequences when compared to more passive strategies. All investing, especially investments in long options, carry risk of loss of some or all of principal.

Investments in Limited Partnerships managed by TMG may contain stated policies that are narrowly defined and may not be diversified. These Limited Partnerships are meant to be part of a carefully constructed asset allocation policy.

Disciplinary Information

Legal and Disciplinary

There have been no legal or disciplinary actions taken against TMG and its advisors in its thirty-five year history. Additionally, there are no pending legal actions against TMG or any of its advisors.

Other Financial Industry Activities and Affiliations

Financial Industry Activities

Tellone Financial Services, Inc., whose President is Dean C. Tellone, is an accounting firm and is a related party to TMG. Tellone Financial provides accounting and tax services for TMG, and its employees are affiliated with TMG. Clients of TMG may or may not be clients of Tellone Financial Services, Inc.

Affiliations

TMG is also a general partner or the Registered Investment Advisor in eleven partnerships in which clients are solicited to invest. The partnerships are as follows: Pure Growth, L.P., High Yield Growth, L.P., West Coast Income, L.P., Select Fixed Income, L.P., Tellone Mortgage Fund, L.P., Hall Mortgage Fund, L.P., West Coast Fund, L.P., Touchdown Investments, L.P., and Touchdown Mortgage Fund, L.P., Canyon Equities, L.P., and Specialty Loans, L.P. The partnerships are private investment funds that are organized to offer various investment allocations to applicant's clients. They contain one or more of the following: equities, bonds, mutual funds, options, mortgages, cash, and money market funds.

TMG also has affiliations with Touchdown, Inc. and Hall & Co. which both receive fees from several of the partnerships listed above. These fees are outlined in the partnership agreements.

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

Code of Ethics

TMG follows a strict Code of Ethics which establishes written standards promulgated to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships
- full, fair, accurate, timely, and understandable disclosure in reports and documents that TMG or its affiliates file with, or submits to, the Securities and Exchange Commission (SEC) and in other public communications made by TMG
- compliance with governmental laws, rules, and regulations that apply to TMG.

This Code of Ethics or any amended version of it will be distributed to all clients or prospective clients of TMG and its affiliates upon request. Clients or prospective clients will have the option to request and receive the Code of Ethics in paper or electronic formats.

Participation or Interest in Client Transactions

From time to time, TMG or a related person of TMG may buy or sell securities that it also recommends to clients. To ensure no clients are treated unfairly during these transactions, and all clients are giving equal opportunity to obtain favorable pricing, TMG strictly

monitors all such trades. Furthermore, TMG and its related parties are not allowed to buy and sell securities it recommends to clients if such transaction could directly manipulate the price of the securities.

Personal Trading

TMG and/or related persons will trade in securities it recommends to clients, and realizes in certain situations this could create a conflict of interest. Such transactions, therefore, are monitored to insure client accounts are not adversely affected. Any thinly traded securities are avoided when trading simultaneously in clients' accounts. TMG also has strict oversight of employees' or related person's individually managed accounts outside the firm proper.

Brokerage Practices

Selecting Brokerage Firms

Best Brokers are chosen by TMG based upon the value they offer to its clients. Brokers are evaluated by comparing commission rates, service quality and dependability, and research products available. Although TMG may determine or suggest which broker to use for a client account, at no time does TMG select a certain broker in return for products and research services received. Brokers are also evaluated periodically to ensure that all client accounts are receiving favorable commission rates, service, access to research products, and timely execution of trades.

Execution

Brokers are chosen by the adviser based upon the value and "best-pricing" they offer to the clients. On a periodic basis TMG will contact several competing brokers to obtain best pricing and best execution data. The CCO will maintain a folder of such solicitations and their results. Brokers are evaluated by comparing commission rates, service quality and dependability, and research products available.

Soft Dollars

TMG does not have any arrangements where it is paid cash by or receives some economic benefit from a non-client in connection with giving advice to clients, nor does it compensate any person for client referrals.

Because of TMG's affiliation with Charles Schwab & Co., Inc., it has at its disposal a wide range of research materials. While TMG does not receive any discounts or commissions for using such research materials they do come as a benefit from the alliance with Charles Schwab. There are no discounts, commissions, nor incentives that accompany the use of said research materials.

The research materials available to the staff are equally available to all Charles Schwab clientele who make use of the access portals to the Charles Schwab website. All clients, consequently, benefit from the availability of the research items.

Order Aggregation

Since the management and trading of client accounts is such an intricate part of TMG's advisory business, it is very important to develop policies that ensure that no client or group of clients is given preferential treatment. Therefore, TMG's duty of loyalty and the equitable treatment of client accounts are the basic principles underlying these allocation procedures.

In general, investment decisions for each client (or group of clients with similar investment objectives) are made with specific reference to the individual needs and objectives of each account (or group of accounts). Because investment decisions frequently affect more than one account or type of account, it is inevitable that, at times, it will be desirable to acquire or dispose of the same securities for more than one client account at the same time.

Therefore, as part of TMG's many trading strategies, trading of securities will frequently be executed using block trades cleared by means of a master trading account. This method of trading allows for TMG to execute trade orders in a manner that is more timely and efficient and in a way in which dollar cost averaging can be easily obtained.

To reinforce the objective nature in which trades are allocated, TMG will use a rotational method for allocating block trades to a group of client accounts. The rotation method is used to assure that all accounts have roughly equal access to limited trading opportunities over time. Client accounts will be grouped based upon investment profiles, risk tolerance, account features such as option and margin trading, cash availability, and commission pricing. For example, if a block trade fits a group of "aggressive growth" accounts, such accounts will be selected to participate in a rotational manner, ultimately creating equal participation by account.

Review of Accounts

Periodic Reviews

TMG reviews managed client accounts at least on a quarterly basis. Certain accounts may receive more frequent monitoring due to the account type, investment portfolio, and client objectives. Reviews are conducted for the purpose of evaluating, reporting, rebalancing, and implementing the investment objective of each client. Reviews will focus on ensuring that account asset allocation is in line with client risk tolerance and investment objectives. This process measures the client's portfolio against any changes in the market environment, world economy, specific investment suitability, and investment developments unique to each individual account. The President of TMG, Dean C. Tellone, will head all account reviews with assistance from the staff related to TMG.

Review Triggers

In addition to quarterly periodic client account reviews, TMG will review accounts when deemed necessary by significant changes in the economic environment, stock fundamentals, and sector emphasis. Other review triggers would be implemented by client requests and client specific events.

Regular Reports

TMG will provide clients with quarterly performance analysis reports. These reports include a breakdown of beginning value, net contributions, capital appreciation, income, expenses, and ending value. Return on investment figures will be compared to the major market indices for comparison purposes. Additionally, a snapshot view of asset allocation and holdings will also be provided.

The broker dealer or custodian that maintains custody of the client's account will provide notification of all securities transactions directly, along with annual tax documents, and monthly account statements. Brokerage account statements include the total current market value of their individual portfolio, a record of all security transactions, and a portfolio summary. Furthermore, clients are encouraged to sign up for electronic delivery and online access to their accounts in order to facilitate full transparency in real time.

Client Referrals and Other Compensation

TMG has no referral for compensation arrangements. All compensation paid to TMG is paid directly by the client.

Custody

Account Statements

TMG manages eleven limited partnership investment funds. Account holders of these limited partnership accounts receive monthly statements that are mailed by standard ground mail to all partners. There are no quarterly or biannual reports delivered as the statement shows both the monthly rate of return as well as the year-to-date rate of return. As required, these limited partnership accounts are surprise audited annually by a certified accounting firm. Holders of accounts established with Charles Schwab & Co., Inc. or Millennium Trust Co. receive monthly reports for their brokerage and IRA accounts.

Performance Reports

Upon request by the client, TMG also provides quarterly reports showing the gains and losses of each account. Clients are encouraged to compare the statements from the brokerage house to the reports provided by TMG. In the case of discrepancies, the client is encouraged to contact TMG in order to clarify any and all variances in the reporting.

Net Worth Statements

In the course of events where financial planning is a significant part of the client's relationship with TMG, a balance sheet outlining the client's net worth may be provided. The client will provide the investment team with statements regarding all their investments and capital assets, their liabilities, and insurance coverage. A net worth statements is used in future planning for investments and tax calculations.

In some cases, this process has already been concluded with another financial advisor and the client's relationship with TMG is for investment purposes only. In these cases, net worth statements are not provided by the TMG staff but may be offered by the client to the TMG staff.

Investment Discretion

Discretionary Authority for Trading & Limited Power of Attorney

In most cases TMG will hold discretionary authority over client accounts. However, clients also have the right to limit the trading done by TMG in their individual accounts. Some clients have certain stocks that have certain preferred status with the client. The client should establish that these stocks are not to be traded or sold for any reason. It is also incumbent upon the TMG staff member to make this very clear prior to the opening of any account. These “client preferred stocks” will remain in the client’s portfolio as unmanaged assets and left totally up to the client for future treatment.

Voting Client Securities

Proxy Votes

TMG does not accept the authority for proxy votes in client accounts. TMG will vote on issues related to the assets held only in its limited partnerships and will disclose upon request its voting policy. This policy, however, may vary from asset to asset depending on the situation of the stock and the particular market environment. TMG staff members are always available for consultation by the client for insight on the voting process.

Clients will receive their solicitations for votes directly from the custodians.

Financial Information

Financial Condition

The financial health and security of TMG remains strong. There is presently no financial condition that would impair the adviser’s ability to meet contractual commitments to clients. TMG has not been the subject of a court judgment nor has the corporation been the subject of an arbitration hearing. There has been no decision rendered that would create a financial condition that would impact the corporation or its clients negatively.

TMG does not require prepayment of fees. All fees are paid in arrears as spelled out in the section entitled “Fees and Compensation.”

Part 2B of Form ADV

Supervised Persons

A “supervised person” means any partner, officer, director (or other person occupying a similar status or performing similar functions), or employee of the investment adviser, or other person who provides investment advice on behalf of the investment adviser and is subject to the supervision and control of the investment adviser.ⁱ The following are the supervised persons connected with the registered investment advisor, Tellone Management Group, Inc.

Dean C. Tellone, MBA, EA, CFP®, President, Secretary & Treasurer

Dean C. Tellone, the President and CEO, founded Tellone Management Group, Inc., in 1987 in Anaheim Hills, California. He was born in 1949 in Inglewood, CA.

His formal education includes under-graduate studies at the University of Arizona (UA) where he graduated in 1971 with a degree in Business Administration. Subsequent to his under-graduate degree, he pursued further study at Cal Poly Pomona where, in 1987, he received his M.B.A.

Other than his two university courses of study Dean passed the Series 2 - Non Member General Securities Exam in 1985. He also completed the certificate program through the College of Financial Planning in Denver, CO, in 1988, receiving his CFP®ⁱⁱ designation. In April, 1991, Mr. Tellone completed the testing and prerequisites to become an Enrolled Agent (EA)ⁱⁱⁱ.

Dean started Tellone Financial Services, Inc., in 1975, and has directed TFS and its affiliates over the course of the years from a fledgling, part-time, advisory endeavor to a wealth management corporation with over \$180 million in assets. His company is noted for its integrity, reliability, and service.

Presently, there are no disciplinary or administrative events, either pending or settled, regarding any of the principals involved in this firm. The supervised persons do not receive compensation from other sources nor do they have other business activities that would create, nor simulate, a conflict of interests.

Steven E. Wolfe, CFP®, Chief Compliance Officer

Steve was born in 1970, in Orange CA. He earned his Bachelor of Science degree in Business Administration from the University of Southern California (USC) School of Business in 1992. Since his graduation he has been employed by Tellone Financial

Services, Inc., where he is presently Vice-President of TFS and Vice-president of Investments for Tellone Management Group, Inc. He is also the Chief Compliance Officer (CCO) maintaining the protocols of the business' compliance policy.

In pursuit of further studies, Steve has completed the program in financial planning offered by The College for Financial Planning Professional Education Program in Denver, Colorado, earning the CFP® designation in 1996. In April, 2010, Steve became certified as a life agent in the state of California.

Derek S. Pantele, CFP®, Compliance Officer

Derek was born in 1985 in Los Angeles, CA. Since graduating in May, 2007 from the University of California, Berkeley (Cal), with a degree in Economics, Derek has worked for Tellone Management Group, Inc. As a local wealth management company that provides comprehensive financial planning services, Derek has worked primarily within the financial planning and asset management divisions as a financial advisor. His duties include security research and analysis, performance reporting, and portfolio recommendations.

In an effort to continually maximize his value as a financial professional, Derek is a Certified Financial Planner (CFP®), completing all requirements in August, 2010. Additionally, Derek is a Level II candidate in the Chartered Financial Analyst Program pursuing the CFA designation.

William J. Vohsing, Compliance Secretary

Born in 1952 in Long Beach, CA, Bill graduated in 1974 with a Bachelor of Arts degree in Philosophy from St. John's College, Camarillo, CA. Four years later he completed his Masters of Divinity. Pursuing a career in ministry he later completed a second graduate degree in the area of religious studies, completing a licentiate degree in canon law at The Catholic University of America in Washington, DC, in 1991.

Bill came to Tellone Management Group, Inc., after 24 years in the world of non-profit organizations. He completed a course of studies in finances through Cal State University, Fullerton's College of Business and Economics, and is pursuing a course of studies in individual and corporate taxation. Bill is employed with Tellone Management Group, Inc., as a Portfolio Analyst, responsible for the accounting balances as well as the technical reporting for the various brokerage accounts. He currently assists the chief compliance officer for TMG.

Supervision

Teamwork is an essential element to the advisory practice of Tellone Management Group. The investment committee members work both individually and collectively to gather the most recent market information and then to apply it to trading practices and account management. Managing over 800 accounts requires an interdependence of talents and skills to properly take advantage of market trends and to remain current in world economic concerns.

At Tellone Management Group, Inc., the four advisors collaborate and pool their resources to expertly manage and advise their clients. Dean Tellone, assisted by Steven Wolfe, manages accounts with a balance greater than \$500,000. Mr. Wolfe manages the accounts in the mid-range, \$200,000 to \$500,000, assisted by Mr. Tellone. Derek Pantele and Bill Vohsing have teamed up to manage the smaller accounts with balances ranging up to \$200,000, with Mr. Tellone acting as both assistant and final reviewer. Every account receives a minimum of two reviews and opinions before recommendations are made. This not only guarantees better quality for the client but allows the professionals to bring their specialties to bear on each account.

End Notes

ⁱ Advisers Act Section 202 (a) (25).

ⁱⁱ The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification 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 United States college or university (or its equivalent from a foreign 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 (or the equivalent, measured as 2,000 hours per year); 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 become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue 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 and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew 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 interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

ⁱⁱⁱ An enrolled agent is a person who has earned the privilege of practicing, that is, representing taxpayers, before the Internal Revenue Service. Enrolled agents, like attorneys and certified public accountants (CPAs), are unrestricted as to which taxpayers they can represent, what types of tax matters they can handle, and which IRS offices they can practice before.

How do you become an enrolled agent? There are two tracks to becoming an enrolled agent. These tracks are described in Federal regulations contained in a pamphlet known as [Treasury Department Circular 230](#), Regulations Governing the Practice of Attorneys, Certified Public Accountants, Enrolled Agents, Enrolled Actuaries, and Appraisers Before the Internal Revenue Service. The two tracks are:

- Written examination. You can become an enrolled agent by demonstrating special competence in tax matters by taking a written examination. This track requires that you -
 - Apply to take the Special Enrollment Examination (SEE); prometric.com/irs;
 - Achieve passing scores on all parts of the SEE;
 - Apply for enrollment; and
 - Pass a background check to ensure that you have not engaged in any conduct that would justify the suspension or disbarment of an attorney, CPA, or enrolled agent from practice before the IRS.

- IRS experience. You can become an enrolled agent by virtue of past service and technical experience with the IRS that qualifies you for enrollment. This track requires that you -
 - Possess the years of past service and technical experience specified in [Circular 230](#);
 - Apply for enrollment; and
 - Pass a background check to ensure that you have not engaged in any conduct that would justify the suspension or disbarment of an attorney, CPA, or enrolled agent from practice before the IRS.