

FORM ADV

Uniform Application for Investment Adviser Registration

Part II - Page 1

<u>OMB APPROVAL</u>	
OMB Number:	3235-0049
Expires:	February 28, 2011
Estimated Average burden	
Hours per response.....	4.07

Name of Investment Adviser: Modus Advisors					
Address:	(Number and Street)	(City)	(State)	(Zip Code)	Area Code: Telephone Number:
	11995 Singletree Lane Ste 230	Eden Prairie	MN	55344	952-946-1000

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

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(Schedule A, B, C, D, and E are included with Part I of this Form, for the use of regulatory bodies, and are not distributed to clients.)

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Applicant: Modus Advisors

SEC File Number:
801-

Date:
08-26-2008

- 1. A. Advisory Services and Fees.** (check the applicable boxes) For each type of service provided, state the approximate % of total advisory billings from that service. (See instruction below.)
- Applicant:**
- (1) Provides investment supervisory services %
 - (2) Manages investment advisory accounts not involving investment supervisory services..... %
 - (3) Furnishes investment advice through consultations not included in either service described above... 10 %
 - (4) Issues periodicals about securities by subscription %
 - (5) Issues special reports about securities not included in any service described above..... %
 - (6) Issues, not as part of any service described above, any charts, graphs, formulas, or other devices which clients may use to evaluate securities..... %
 - (7) On more than an occasional basis, furnishes advice to clients on matters not involving securities... 80 %
 - (8) Provides a timing service %
 - (9) Furnishes advice about securities in any manner not described above..... 10 %

(Percentages should be based on applicant's last fiscal year. If applicant has not completed its first fiscal year, provide estimates of advisory billings for that year and state that the percentages are estimates.)

- B.** Does applicant call any of the services it checked above financial planning or some similar term? Yes No

C. Applicant offers investment advisory services for: (check all that apply)

- (1) A percentage of assets under management
- (2) Hourly charges
- (3) Fixed fees (not including subscription fees)
- (4) Subscription fees
- (5) Commissions
- (6) Other

D. For each checked box in A above, describe on Schedule F:

- the services provided, including the name of any publication or report issued by the adviser on a subscription basis or for a fee
- applicant's basic fee schedule, how fees are charged and whether its fees are negotiable
- when compensation is payable, and if compensation is payable before service is provided, how a client may get a refund or may terminate an investment advisory contract before its expiration date

2. Types of clients - Applicant generally provides investment advice to: (check those that apply)

- A. Individuals
- B. Banks or thrift institutions
- C. Investment companies
- D. Pension and profit sharing plans
- E. Trusts, estates, or charitable organizations
- F. Corporations or business entities other than those listed above
- G. Other (describe on Schedule F)

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

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

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

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

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

- | | |
|--|---|
| (1) <input type="checkbox"/> Charting | (4) <input type="checkbox"/> Cyclical |
| (2) <input type="checkbox"/> Fundamental | (5) <input checked="" type="checkbox"/> Other (explain on Schedule F) |
| (3) <input type="checkbox"/> Technical | |

B. The main sources of information applicant uses include: (check those that apply)

- | | |
|---|---|
| (1) <input checked="" type="checkbox"/> Financial newspapers and magazines | (5) <input type="checkbox"/> Timing services |
| (2) <input type="checkbox"/> Inspections of corporate activities | (6) <input type="checkbox"/> Annual reports, prospectuses, filings with the
Securities and Exchange Commission |
| (3) <input checked="" type="checkbox"/> Research materials prepared by others | (7) <input type="checkbox"/> Company press releases |
| (4) <input type="checkbox"/> Corporate rating services | (8) <input type="checkbox"/> Other (explain on Schedule F) |

C. The investment strategies used to implement any investment advice given to clients include: (check those that apply)

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

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

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5. Education and Business Standards.

Are there any general standards of education or business experience that applicant requires of those involved in determining or giving investment advice to clients? Yes No

(If yes, please describe these standards on Schedule F)

6. Education and Business Background.

For:

- each member of the investment committee or group that determines general investment advice to be given to clients, or
- if the applicant has no investment committee or group, each individual who determines general investment advice clients (if more than five, respond only for their supervisors)
- each principal executive officer of applicant or each person with similar status or performing similar functions.

On Schedule F, give the:

- name
- year of birth
- formal education after high school
- business background for the preceding five years

7. Other Business Activities. (check those that apply)

- A. Applicant is actively engaged in a business other than giving investment advice.
- B. Applicant sells products or services other than investment advice to clients.
- C. The principal business of applicant or its principal executive officers involves something other than providing investment advice.

(For each checked box describe the other activities, including the time spent on them, on Schedule F.)

8. Other Financial Industry Activities or Affiliations. (check those that apply)

- A. Applicant is registered (or has an application pending) as a securities broker-dealer.
- B. Applicant is registered (or has an application pending) as a futures commission merchant, commodity pool operator or commodity trading adviser.
- C. Applicant has arrangements that are material to its advisory business or its clients with a related person who is a:
 - (1) broker-dealer
 - (2) investment company
 - (3) other investment adviser
 - (4) financial planning firm
 - (5) commodity pool operator, commodity trading adviser or futures commission merchant
 - (6) banking or thrift institution
 - (7) accounting firm
 - (8) law firm
 - (9) insurance company or agency
 - (10) pension consultant
 - (11) real estate broker or dealer
 - (12) entity that creates or packages limited partnerships

(For each checked box in C, on Schedule F identify the related person and describe the relationship and the arrangements.)

- D. Is applicant or a related person a general partner in any partnership in which clients are solicited to invest?.. Yes No

(If yes, describe on Schedule F the partnerships and what they invest in.)

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

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9. Participation or Interest in Client Transactions.

Applicant or a related person: (check those that apply)

- A. As principal, buys securities for itself from or sells securities it owns to any client.
- B. As broker or agent effects securities transactions for compensation for any client.
- C. As broker or agent for any person other than a client effects transactions in which client securities are sold to or bought from a brokerage customer.
- D. Recommends to clients that they buy or sell securities or investment products in which the applicant or a related person has some financial interest.
- E. Buys or sell for itself securities it also recommended to clients.

(For each box checked, describe on Schedule F when the applicant or a related person engages in these transactions and what restrictions, internal procedures, or disclosures are used for conflicts of interest in those transactions.)

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

- 10. Conditions for Managing Accounts.** Does the applicant provide investment advisory services, manage investment advisory accounts or hold itself out as providing financial planning or some similarly termed services *and* impose a minimum dollar value of assets or other condition for starting or maintaining an account?

Yes No

(If yes, describe on Schedule F)

- 11. Review of Accounts.** If applicant provides investment supervisory services, manages investment advisory account, or holds itself out as providing financial planning or some similarly termed services:

- A. Describe below the reviews and reviewers of the accounts. **For reviews**, include their frequency, different levels, and triggering factors. **For reviewers**, include the number of reviewers, their titles and functions, instructions they receive from applicant on performing reviews, and number of accounts assigned each.

Financial plans are reviewed on a semi-annual or annual basis. Review meetings address but are not limited to cash flow planning, liability management, retirement planning, investment allocation and analysis of holdings, education planning, income tax planning, stock option exercise, estate planning, wealth transfer, and risk management. Julie Kaufmann performs preliminary work for review meetings. Tad Weiss, MBA, CFP, performs the review meetings. Updated financial information is received from the client before performing the review.

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

Modus Advisors does not generate reports or statements for its clients. The clients receive statements directly from the broker/dealer or product sponsor through which they implement the plan.

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12. Investment or Brokerage Discretion.

A. Does applicant or any related person have authority to determine, without obtaining specific client consent, the:

- | | | |
|--|------------------------------|--|
| (1) securities to be bought or sold? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (2) amount of securities to be bought or sold? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (3) broker or dealer to be used? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |
| (4) commission rates paid? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

B. Does applicant or a related person suggest brokers to clients? Yes No

For each yes answer to A describe on Schedule F any limitations on the authority. For each yes to A(3), A(4) or B, describe on Schedule F the factors considered in selecting brokers and determining the reasonableness of their commissions. If the value of products, research and services given to the applicant or a related person is a factor, describe:

- the products, research and services
- whether clients may pay commissions higher than those obtainable from other brokers in return for those products and services
- whether research is used to service all of applicant's accounts or just those accounts paying for it; and
- any procedures the applicant used during the last fiscal year to direct client transactions to a particular broker in return for product and research services received.

13. Additional Compensation.

Does the applicant or a related person have any arrangements, oral or in writing, where it:

- | | | |
|---|---|--|
| A. is paid cash by or receives some economic benefit (including commissions, equipment or non-research services) from a non-client in connection with giving advice to clients? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| B. directly or indirectly compensates any person for client referrals? | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

(For each yes, describe the arrangements on Schedule F.)

14. Balance Sheet. Applicant must provide a balance sheet for the most recent fiscal year on Schedule G if applicant:

- has custody of client funds or securities (unless applicant is registered or registering only with the Securities and Exchange Commission); or
- requires prepayment of more than \$500 in fees per client and 6 or more months in advance

Has applicant provided a Schedule G balance sheet?..... Yes No

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

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV Part II**

Applicant: Modus Advisors	SEC File Number: 801-	Date: 08-26-2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other Schedules)

I. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.: 37-1566410
Item of Form (identify)	Answer	
1D	<p>Modus Advisors offers the following financial planning and advisory services and, per the classifications in Item 1(A) of Form ADV-II, devotes its time among them accordingly:</p> <p>80% Advice on matters not involving securities 10% Investment advice through consultations 10% General investment advice</p> <p>Modus Advisors offers Comprehensive Financial Planning services. Financial planning services begin with the identification of the client's financial values and proceed with the establishment of the client's specific financial goals and objectives. A thorough fact-finding of the client's financial and personal situation is conducted. Our analysis and written recommendations assess planning strategies and techniques that have the potential to help increase the likelihood of the client meeting their personal goals and objectives. These recommendations address but are not limited to cash flow planning, liability management, retirement planning, investment allocation and holding analysis, education planning, income tax planning, stock option exercise, estate planning, wealth transfer, and risk management.</p> <p>Modus Advisors charges a flat fee ranging from \$1,500 to \$10,000 for Comprehensive Financial Planning services, individually negotiated in advance. An hourly rate can be applied for limited analysis, at the rate of \$250 per hour. Fees are payable at the time the financial plan is presented. Client can terminate this agreement by notifying Modus Advisors by phone or in writing, up until the time the plan is presented. Client will be responsible for the time incurred that Modus Advisors worked on the plan, from the time of entering into the agreement until the time of notifying Modus Advisors that they wish to terminate the agreement. It is anticipated that development and presentation of the plan will take one month from the time of entering into this agreement and obtaining all necessary client information.</p>	
4(A)(5)	<p>Modus Advisors uses a strategic asset allocation approach to review client portfolios. The client's portfolio is compared to a recommended asset allocation based on their age, investment time horizon, and risk tolerance. Historical data is used to determine how various asset classes and individual investments can be expected to perform in the future. Individual holdings are compared to their peers and appropriate investment benchmarks. We believe this is an appropriate process to develop a long-term investment strategy that employs a core mix of investment assets to help clients fund their long-term investment objectives.</p>	
5	<p>A person employed by Modus Advisors to provide investment advice or financial planning to any client must have earned the Certified Financial Planner (CFP) designation; OR hold a similar designation, e.g., Chartered Financial Analyst (CFA), Certified Public Accountant (CPA); OR have three (3) years of related experience and have earned at least a four (4) year Bachelor's degree.</p>	

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

**Schedule F of
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Continuation Sheet for Form ADV Part II**

Applicant: Modus Advisors	SEC File Number: 801-	Date: 08-26-2008
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(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other Schedules)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.:
		37-1566410
Item of Form (identify)	Answer	
6	<p>Tad M. Weiss, MBA, CFP Born 1962</p> <p>Mr. Weiss is the President of Modus Advisors, which he founded in May, 2008. Prior to that he was a founding partner and member of Olson Weiss, LLC from April 2000 to December 2008. He has been in the financial services industry since 1985.</p> <p>Mr. Weiss earned a Bachelor's degree in Accounting from Gustavus Adolphus College in May 1984. He earned his MBA in Finance from the University of St. Thomas in May 1987. He also earned the Certified Financial Planner (CFP) designation in 1988.</p> <p>Julie M. Kaufmann</p> <p>Ms. Kaufmann started in the financial services industry with Olson Weiss, LLC in June of 2000. She earned a Bachelor's degree in Business Finance from Augsburg College in May 2000.</p>	
7	<p>Tad M. Weiss is a Registered Representative with LPL Financial ("LPL"). In such a capacity, he may offer securities and receive normal and customary commissions as a result of securities transactions. This presents a conflict of interest to the extent that he recommends that a client invest in a security which results in a commission being paid to him. He spends 10% of his time on these activities.</p> <p>Tad M. Weiss is a licensed insurance agent through numerous insurance companies. In such a capacity, he may offer insurance products and receive normal and customary commissions as a result of such a purchase. This presents a conflict of interest to the extent that he recommends the purchase of an insurance product which results in a commission being paid to him as an insurance agent. He spends 5% of his time on these activities.</p> <p>Tad M. Weiss is an Investment Advisor Representative ("IAR") with LPL Financial ("LPL"). In such a capacity, the IAR may offer advisory accounts through LPL, the details of which are fully described in LPL's Form ADV or relevant schedules. This presents a conflict of interest to the extent that he recommends that a client open an account in which compensation is received as an IAR with LPL. He spends 50% of his time on these activities.</p> <p>The primary business of the principal of the applicant, Tad M. Weiss, is providing brokerage services through LPL. He spends 5% of his time on this activity.</p>	

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

**Schedule F of
FORM ADV
Continuation Sheet for Form ADV Part II**

Applicant:
Modus Advisors

SEC File Number:
801-

Date:
08-26-2008

(Do not use this Schedule as a continuation sheet for Form ADV Part I or any other Schedules)

1. Full name of applicant exactly as stated in Item 1A of Part I of Form ADV:		IRS Empl. Ident. No.:
		37-1566410
Item of Form (identify)	Answer	
9(B)	Clients are advised that they are under no obligation to implement the plan or its recommendations through Tad M. Weiss in his capacity as a registered representative or licensed insurance agent. All conflicts of interest relating to compensation are disclosed.	
9(D)(E)	The applicant or any of its employees may own or transact securities which may coincide with a client recommendation. In every situation, the client's needs are considered first and the securities are widely held and publicly traded.	
12(B)	Tad M. Weiss may suggest that clients implement recommendations set forth in the financial plan through LPL in his capacity as a registered representative or as an independent licensed insurance agent. If the client chooses to do so, this would present a conflict of interest to the extent that Tad M. Weiss would receive normal and customary commissions as a registered representative or licensed insurance agent resulting from any securities or insurance transactions.	
13(A)	Clients are advised that they are under no obligation to implement the plan or its recommendations through Tad M. Weiss in his capacity as a registered representative or licensed insurance agent. All potential conflicts of interest relating to compensation have been disclosed.	

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