



JHS capital advisors

Member FINRA/SIPC
A Registered Investment Advisor

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October 5, 2011

This Brochure provides information about the qualifications and business practices of JHS Capital Advisors, Inc. If you have any questions about the contents of this Brochure, please contact us at 813-202-7960 and/or info@jhscapital.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.

JHS Capital Advisors, Inc. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about JHS Capital Advisors, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since the date of the last Brochure, dated March 31, 2011, material changes have occurred which necessitate the update of the firm’s Brochure. On September 6, 2011, the Registrant’s affiliated Broker-Dealer experienced a material disciplinary event that is correspondingly disclosed within this Brochure under “Item 9” disclosure number 4.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting Fred J. Vetter III, Chief Compliance Officer at 813-202-7960 or info@jhscapital.com. Our Brochure is also available on our web site www.jhscapital.com, free of charge.

Additional information about JHS Capital Advisors, Inc. is also available via the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provides information about any persons affiliated with JHS Capital Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of JHS Capital Advisors, Inc.

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Item 4 – Advisory Business

JHS Capital Advisors, Inc. (“JHS”), a Delaware corporation, founded in December 2009, offers non-discretionary investment advisory services through: (1) RBC sponsored wrap fee Programs (“RBC Programs”) and (2) the Managed Account Program (“Managed Account”). In addition, JHS offers discretionary advisory services for Managed Accounts. JHS Capital Advisors, Inc., has been an SEC-registered investment adviser since March 2010 and is owned by JHS Capital Holdings, Inc.

JHS obtains data from potential clients addressing financial objectives, needs, risk tolerance, investment horizon and other pertinent information. This information is gathered and reported on standard documents and is analyzed by JHS Investment Advisory Representatives (“IARs”). Once the analysis is completed, the IAR develops an investment strategy with the potential client that addresses specific investment styles and allocation of the client's assets. The IAR then recommends either an RBC Program, or a Managed Account.

Program and Managed Accounts are managed similarly and in both types of programs, clients’ assets may be invested in various securities, including, equity securities, warrants, mutual funds, common and preferred stock, American Depository Receipts, corporate bonds, US Government and government agency bonds, variable life insurance products, variable annuities and options. Clients’ assets are invested in securities that are deemed to be consistent with the client’s stated investment objectives. JHS receives a portion of the Program Account fees for its services.

RBC Programs

JHS offers four RBC Programs: Advisor, Resource II, Resource II Specialty Portfolios, and Total Strategy Account (“TSA”). RBC conducts due diligence on the independent money managers (“RBC Program Managers”) that are included in the RBC Programs.

In the Advisor program the client appoints the IAR to provide advice with regards to stocks, fixed income, mutual funds, ETFs & eligible UITs on a non-discretionary basis. The client must authorize each transaction in advance.

Resource II uses equity and fixed income money managers to manage accounts on a discretionary basis. The JHS IAR makes recommendations to the client regarding which RBC Program Manager to select. The client retains the authority to hire and fire any of the participating RBC Program Managers.

Resource II Special Portfolios uses mutual funds, exchange-traded funds (“ETFs”), and alternative investment funds to seek to achieve client objectives. The accounts are managed on a discretionary basis by RBC Wealth Management.

TSA uses equity money managers, mutual funds and ETFs. This account is managed by Placemark Investments, on a discretionary basis, and Placemark Investments is responsible for rebalancing mutual funds, ETFs and RBC Program Managers.

Managed Accounts

Each client completes an investment questionnaire and fee agreement.

If managed on a non-discretionary basis, the client's IAR (with a current series 65 or 66 license) consults with the client and they agree on each purchase or sale of a security prior to the transaction being executed.

If managed on a discretionary basis, the IAR is authorized to execute transactions, pursuant to the client's investment objectives and restrictions, without contacting the client in advance for approval; OR the client and IAR agree upon a "Third Party Adviser," deemed to be appropriate for client's investment objectives, who determines and executes transactions without first consulting the client. In these arrangements assets may be held away from RBC. In addition, if a Third Party Adviser is recommended to a client, the client shall enter into a separate investment advisory agreement with the Third Party Adviser and will receive the Third Party Adviser's required documents, including Form ADV Part 2A and Part 2B.

Assets Under Management

JHS, as of March 21, 2011, has \$92,900,000 in assets under management. Of this amount, \$45,000,000 represents assets managed on a discretionary basis and \$47,900,000 is managed on a non-discretionary basis.

Item 5 – Fees and Compensation

All fees are charged on a quarterly basis in advance and are based upon an accounts opening value at inception and then on the last day of the preceding calendar quarter. The account value used for the calculation of fees is the net equity value. This means the actual value of the account and does not include any equity value that may be enhanced by the usage of margin. Client may purchase securities that are deemed "ineligible" for billing purposes due to the nature of their inherent fee structure or per investment advisory agreement. The value of any ineligible securities is not included in the value used for the calculation of investment advisory fees.

All fees are negotiable. As a result, some clients may pay higher or lower fees than the schedules shown below. To the extent that JHS utilizes a higher fee schedule, such fees are fully disclosed to the client in its investment advisory agreement.

JHS charges fees quarterly in advance based on the account value at the end of the prior quarter. Most clients authorize JHS to deduct fees automatically from their brokerage accounts, but clients may request that JHS send quarterly invoices to be paid by check.

Accounts opened mid-calendar quarter will be billed based on the average daily fair market value of assets in the account during the first month, prorated for the days the account is open during the first calendar quarter.

If a client deposits assets (cash and/or securities) with a market value of ten-thousand dollars (\$10,000) or more in an account on any given day after the inception of a calendar quarter, the amount of such deposit shall immediately become subject to a pro-rated fee. Clients shall be entitled to a fee rebate calculated in the same manner if account assets are withdrawn in excess of this amount on any given day.

JHS is also registered as a broker/dealer with FINRA and the SEC. The broker/dealer business is JHS's principal business and JHS may receive commissions and fees from securities transactions that JHS recommends to advisory clients. Receipt of commissions provides JHS's primary compensation.

As part of its broker/dealer services, JHS provides advice on a commission basis as well as facilitates customer securities orders on a solicited and unsolicited basis. Any investment advice provided to customers not participating in an investment advisory service program is incidental to the JHS's and its Registered Representative's activities as contemplated under specific regulatory license and approvals.

JHS IARs may also be broker/dealer Registered Representatives of JHS and may receive commission on securities transactions. In addition, JHS and its IARs, in their separate capacities as Registered Representatives, may receive commission on the recommendation and sale of other financial products, such as insurance and variable insurance products, to investment advisory clients. Financial products such as securities, insurance and variable insurance products may be offered through a JHS IAR in their separate capacity as a Registered Representative. As a result, the IAR, JHS, or JHS's affiliate, JHS Insurance Group, will earn the usual and normal insurance commissions or referral fees. The receipt of commissions on the sale of securities and other financial products potentially could represent a conflict of interest and give the IAR an incentive to recommend purchases of such products. However, the client has the option not to purchase the recommended products and can purchase products through other unaffiliated brokers or agents. Clients are not obligated to implement any recommendation through JHS or the IAR/Registered Representative and are free to choose any broker/dealer they wish to effect such transactions. The value of these assets would not be considered advisory assets and the client will not be charged an investment advisory fee for

these assets although they may appear on the client's consolidated statement for informational purposes.

RBC Programs

Fee charged for RBC programs may range from ½ (.50) of 1% up to 3% per year, based on a percentage of assets and paid quarterly in advance. The maximum annual fee for all RBC Programs (Advisor, Resource II, Resource II Specialty Portfolios, and TSA) accounts is 3.00% and may be discounted. The fee schedule is negotiable and is inclusive of all transaction fees. There is a minimum fee per account of \$125 annually. Fees are prorated for partial years.

Many of the third party managers utilized accept customer accounts on a direct basis from customers. Their minimum account size may be the same or higher than the minimum account size permitted under the separate account program. In those instances where a manager accepts accounts directly from customers, the fees charged are generally lower than those charged through participation in the separate account program.

Managed Account

Fee charged for the managed account program may range from ½ (.50) of 1% up to 3% per year, based on a percentage of assets and paid quarterly in advance. The maximum annual fee for the Managed Account program is 3.00% and is not inclusive of any management fees charged by non-affiliated third parties. The fee schedule is negotiable and may not be inclusive of all transaction costs. The final fee schedule will be attached to the investment advisory agreement. There is a minimum fee per account of \$300 annually. Fees are prorated for partial years. The IAR is compensated from the receipt of a portion of the program fee. Neither JHS nor its IAR receives any additional compensation incentive directly or indirectly from a third party manager. The portion of the fee shared with the IAR is the same no matter which investment is chosen.

The fees described in the "Fee Schedule" do not include other fees related to maintaining an account including, but not limited to, IRA fees, early redemption fees, check writing, exchange fees or similar fees imposed in connection with mutual fund transactions and other related fees.

Other Fees and Expenses

In addition to the fees listed below, investment companies (mutual funds) in which clients may be invested impose internal fees and expenses including sales charges. Such fees, expenses, and charges are in addition to portfolio management fees charged to the client by JHS or the RBC Program. Complete details of investment company fees, expenses, and other charges are disclosed in the applicable mutual fund prospectus. Managed Account clients also bear all trading costs and custodial fees.

Termination of Services

A client may terminate their account at any point in time without prior notice. Such notification must be in writing and sent to the attention of Operations. Once received, the account will immediately cease being an advisory account and any fees paid in advance will be pro-rated and refunded via a credit to the account within 5 days of receipt of such notice. The calculation used to determine the amount of the refund shall be the total amount paid in advance, divided by 90 (representing the number of days in a quarter using the 30/360 method) times the number of days remaining in the quarter not including the date that the notice is received.

Item 6 – Performance-Based Fees and Side by Side Management

JHS Capital Advisors, Inc. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

Item 7 – Types of Clients

JHS Capital Advisors, Inc. provides portfolio management services to individuals, high net worth individuals, pension and profit sharing plans (other than plan participants), charitable organizations, and corporations or other business entities.

Minimum Conditions

RBC Program Accounts, which are managed by the IAR or by independent third party managers, require the following minimums in initial assets to open the account:

- Advisor - \$25,000
- Resource II - \$100,000 for equity, balance & tax fixed income managers; \$250,000 – tax-exempt fixed income managers;
- Resource II Specialty Portfolios - \$100,000; and
- TSA - \$250,000 if using a money manager, \$25,000 if using only mutual funds and/or ETFs.

Managed Accounts, which are managed by JHS IARs and/or a Third Party Adviser, generally have an account minimum of \$25,000 in initial assets. However, in certain instances, the minimum account size may be negotiated.

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

IARs affiliated with JHS utilize multiple methods of analysis and investment strategies. Methods of analysis include Charting, Fundamental, Technical, and Cyclical. The method and strategy, in general, is determined by the particular IAR. The investment strategy for a specific client is based upon the objectives, income needs, and tax situation stated by the client during consultations. The client may change these objectives at any time. The client's goals and

objectives are recorded during meetings and via correspondence with the client. Each client portfolio is constructed solely for that client.

Investing in securities is inherently risky. An investment in individual securities or in a portfolio of securities could lose money. The investments selected by JHS' IARs should be deemed speculative investments and are not intended as a complete investment program. These types of investments are designed for sophisticated investors who fully understand and are capable of bearing the risk of loss of their entire investment. JHS' IARs cannot give any guarantee that it will achieve its investment objectives or that any client will receive a return of its investment.

Item 9 - Disciplinary Information

The following material events have been disclosed regarding the firm and/or management.

1. On October 26, 2010, the Connecticut Banking Commissioner entered a consent order (No. Co-10-7780-s) with respect to JHS Capital Advisors, Inc. F/k/a Pointe Capital, Inc., a Connecticut-registered broker-dealer. The consent order alleged that from at least January 1, 2008 through March 31, 2010, the firm charged its Connecticut customers a "postage and handling" fee which it failed to itemize and disclose on trade confirmations supplied to those customers. The consent order also alleged that such conduct would support proceedings under section 36b-15(a)(2)(h) of the Connecticut Uniform Securities Act to suspend or revoke the firm's Connecticut registration or to restrict the firm's Connecticut securities activities.

The consent order fined the firm \$10,000. With respect to transactions effected between January 1, 2008 and March 31, 2010, the consent order also directed JHS to reimburse affected Connecticut customers the difference between the "postage and handling" fee paid for each transaction and the actual amount of the firm's ticket and clearing charge and the postage fee assessed by the clearing firm. The consent order also required that the firm cease and desist from regulatory violations.

Without admitting or denying any of the commissioner's allegations or findings, JHS consented to the entry of a consent order finding that, during the review period of January 1, 2008 through March 31, 2010, JHS, by failing to itemize and disclose to its Connecticut clients the fee classified as "postage and handling" on the trade confirmations, which fee ranged from \$7.50 to \$100.00 per transaction, engaged in conduct which would support proceedings under section 36b-15(a)(2)(h) of the Connecticut uniform securities act.

2. On December 19, 2007, JHS, as broker-dealer, was fined \$5,000.00 by FINRA for failure to report debt securities transactions on a timely basis. (NASD rules 2110, 6230(a) - failure to timely report debt securities transactions to the trade reporting and compliance engine (trace) system).

3. On April 28, 2010, the State of Nevada, Office of the Secretary of State Securities Division found that JHS operated a branch office in Nevada without obtaining a license for the branch office from the Division since the end of the year of 2005. Prior to entry of this consent order, JHS closed the branch office. Without admitting or denying the statement of facts and conclusions of law contained in the order, JHS consented to the entry of the order.
4. On September 6, 2011, JHS (f/k/a Pointe Capital, Inc.), as broker/dealer was sanctioned (Securities Exchange Act Rule 10b-10, FINRA Rule 2010, NASD Rules 2110, 2430, 2440, 3010, 3070, Interpretative Material 2440-1) and fined \$300,000 by FINRA for routinely charging its customers a "handling fee," in addition to a commission, on equity security trades; the charge varied from trade to trade, in some cases reaching as high as \$95 per trade. The particular dollar amount charged was not attributable to any specific cost or expense incurred by JHS in executing the trade, or determined by any formula applicable to all customers; it was determined by the individual registered representative executing the order, who had discretion to set the dollar amount of the fee within a particular range set by JHS. The range authorized by JHS varied from branch to branch so that customers of different branches might be assessed substantially different amounts for handling on otherwise identical trades. Although reflected on customer trade confirmations as a charge for "handling," the fee served as a source of additional transaction-based remuneration or revenue to JHS, the same manner as a commission and was not directly related to any handling services or handling-related expenses incurred by JHS. JHS' characterization of the charge as being for "handling" was improper and by designating the charge as a handling fee on customer trade confirmations, JHS understated the amount of the total commissions charged and misstated the purpose of the handling fee. JHS failed to establish, maintain and enforce a supervisory system, including written procedures, reasonably designed to achieve compliance with NASD rules 2440 and interpretative material 2440-1 with respect to the fairness of commission charges.

FINRA also found that JHS failed to file summary and statistical information for customer complaints by the 15th day of the month following the calendar quarter in which the complaints were received by JHS. JHS also inaccurately reported some customer complaints, providing a descriptive problem code for each that was less egregious than the misconduct actually alleged by the customer.

JHS also failed to establish, maintain and enforce an adequate supervisory system, including written procedures, for the conduct of due diligence in connection with private placement offerings.

Without admitting or denying the findings; JHS consented to described sanctions and to the entry of findings; therefore, JHS is censured, fined \$300,000 and required to certify, within 90 days of FINRA's acceptance of this AWC, that it has implemented corrective

actions to remedy the handling fee-related violations to include, but not limited to: (1) identifying as commissions or markups (markdowns), as the case may be, and not as postage, handling or any other miscellaneous fee, all transaction-based remuneration, and any other fees which do not constitute reasonable fees under NASD rule 2430 and do not comply with subsection (2) of this undertaking: (2) for any charges or fees for services (such as postage costs and clearing firm charges), other than commissions or markups (markdowns), fully and accurately disclosing on confirmations, as well as any communication with a customer or the public where fees are discussed (including fee schedules, in any or new account documentation that contains fee information), the specific service performed or to be performed or the specific use, and the amount of the fee paid or to be paid in connection with each service or use, and the amount of the fee paid or to be paid in connection with each service or use, and retaining detailed records to substantiate such services and uses and fee amounts; and (3) revising JHS' written supervisory procedures and providing training to the JHS' registered representatives and associated persons to address this undertaking related to transaction-based remuneration, reasonable fees, their appropriate disclosure to customers, and retention of related records. Without admitting or denying the findings and in the interest of legacy firm closure, JHS consented to the above noted sanctions.

Item 10 – Other Financial Industry Activities and Affiliations

JHS is also registered as a broker/dealer with FINRA and the SEC. The broker/dealer business is JHS's principal business and JHS may receive commissions and fees from securities transactions that JHS recommends to clients.

As part of its broker/dealer services, JHS provides advice on a commission basis as well as facilitates customer securities orders on a solicited and unsolicited basis. Any investment advice provided to customers not participating in an investment advisory service program is incidental to the JHS's and its Registered Representative's activities as contemplated under specific regulatory license and approvals.

JHS also sells other financial products such as insurance and variable insurance products, which may be offered through an affiliate company, JHS Insurance Group. RRs may not recommend to clients that they use one of the products offered through JHS Insurance Group in a managed account. Should a client decide to implement a decision through a JHS RR/Agent, the IAR or its JHS's affiliate JHS Insurance Group, it will earn the usual and normal insurance commission.

Item 11 – Code of Ethics

JHS, its principals and employees are permitted to trade for their own accounts, and from time to time may buy or sell securities that JHS trades for clients. To avoid any potential conflicts of interest resulting from the personal trading of JHS's principals and employees, and to avoid the

misuse of material non-public information, JHS has adopted a written Code of Ethics designed to address and avoid potential conflicts of interest, as required under Rule 204A-1 of the Advisers Act.

JHS's Code of Ethics requires, among other things, that its principals and employees:

- Must comply with the spirit and the letter of the Federal Securities Laws and the rules governing the capital markets;
- Act with competence, dignity, integrity, and in an ethical manner when dealing with clients, the public, prospective clients, third-party service providers, and fellow employees;
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, promoting JHS's services, and engaging in other professional activities;
- Avoid and/or disclose any actual or potential conflict of interest; and
- Conduct all personal securities transactions in a manner consistent with the policy;

JHS's Code of Ethics also requires principals and employees to: (1) pre-clear personal securities transactions in initial public offerings and limited partnerships; (2) report personal securities transactions on at least a quarterly basis; and (3) provide JHS with a detailed summary of personal securities holdings (both initially upon commencement of employment and annually thereafter), in each case subject to certain exceptions described in the Code of Ethics.

A copy of JHS's Code of Ethics will be provided to any client or prospective client upon request. To request a copy of the Code, please contact your IAR directly.

JHS may, as a principal, buy securities from or sell securities to, a client. JHS will only effect transactions on a principal basis after the advisory client has executed a written, revocable consent prospectively authorizing the investment adviser directly or indirectly to act as principal for its own account in selling any security to or purchasing any security from the advisory client, so long as such written consent is obtained after written disclosure to the advisory client explaining: (i) the circumstances under which the investment adviser directly or indirectly may engage in principal transactions; (ii) the nature and significance of conflicts with its client's interests as a result of transactions; and (iii) how the adviser addresses those conflicts. Prior to execution of each principal transaction, the adviser will inform the client, orally or in writing, of the capacity in which the adviser may act with respect to the transaction and the adviser will obtain consent from the advisory client, orally or in writing, to act as principal for its own account with respect to such transaction. JHS will send a written confirmation at or before completion of each such transaction. Principal transactions involving fixed income securities may include a mark-up; therefore, the client will be paying additional fees for the purchase of such securities.

IARs may buy or sell for themselves securities they also recommend to clients. These investment products will be bought and sold on the same basis as the clients', according to the clients' stated goals and investment objectives. In all instances, it is presumed that the positions would be so small as to not impact the pricing or performance of the security.

JHS does not effect cross transactions (transactions in which one client's securities are sold to another client).

Item 12 – Brokerage Practices

In making its decisions regarding the allocation of brokerage transactions for clients, JHS seeks to obtain the best execution, taking into account the following factors: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the opportunity for price improvement, speed of execution and speed of order limit display; (iii) the operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of order and difficulty of execution; (iv) the financial strength, integrity and stability of the broker-dealer; (v) the value of brokerage services over and above trade execution provided to JHS and its clients; and (vi) the competitiveness of commission rates in comparison with other broker-dealers satisfying JHS's other selection criteria. On occasion, JHS may place over-the-counter equity transactions on an agency basis. Although JHS generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

In Addition, IARs that manage accounts on a discretionary basis have the ability to aggregate or place block trades through an average price account (VWAP) application offered through RBC referred to as APL. This provides the IAR the ability to allocate trades across client accounts predicated on an average price which, in turn, serves as a mechanism to reasonably prevent an account from being systematically disadvantaged.

JHS does not use "soft dollars" to pay for the research or non-research-related services. (The term "soft dollars" refers to the receipt by JHS of products and services provided by brokers without any cash payment by JHS, based on the volume of revenues generated from brokerage commissions for transactions executed for clients.)

JHS does not consider referrals from a broker-dealer or third party in selecting broker-dealers.

In the event that trading errors should occur, the errors will be corrected at no cost to the JHS clients. However, JHS retains any gain resulting from a trading error. JHS will not use "soft dollars" to correct trading errors, nor will JHS use future brokerage to compensate a broker either directly or indirectly for absorbing the cost of correcting an error in an earlier

transaction.

Item 13 – Review of Accounts

Each account under JHS’s management is assigned to an IAR. Clients’ accounts will be continuously reviewed on an ad hoc basis, and will be formally reviewed at least annually. In addition, accounts will be reviewed if there are changes in a client’s investment objectives or restrictions.

All clients receive transaction confirmations and monthly account statements detailing all activity in the client’s account directly from RBC. Upon request, JHS will send clients quarterly performance reports that are generated by RBC. JHS does not generate its own account reports.

Item 14 – Client Referrals and Other Compensation

JHS does not receive an economic benefit from non-clients in connection with the provision of investment advice to clients.

IARs affiliated with JHS may, from time to time, receive referrals from clients. The referrals have come from current clients, employees, personal friends of employees and other sources. The firm does not pay for referrals.

Item 15 - Custody

All assets are held at a qualified custodian, RBC, who provides account statements directly to clients at their address of record at least quarterly. JHS Capital Advisors, Inc., urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you.

Item 16 – Investment Discretion

JHS accepts discretionary authority to manage securities accounts on behalf of clients in Managed Accounts. JHS has the authority to determine, without obtaining specific client consent, the executing broker or dealer for any transaction and the commission rates or commission equivalents charged for transactions. In addition, for discretionary Managed Accounts, JHS is also authorized to determine, without obtaining specific consent, the securities to be bought or sold, and the amount of the securities to be bought or sold. However, if discretionary authority or a limited power of attorney has not been given, JHS consults with the client prior to each trade to obtain concurrence. Discretionary trading authority facilitates placing trades in clients’ accounts on their behalf so that we may promptly implement the investment policy that they have approved. In most cases, clients are provided with an opportunity for review and discussion prior to implementation of recommendations.

Third party investment managers have full discretion over trades and do not consult with JHS, or with clients before placing trades.

Clients must sign JHS' Agreement for Investment Management Services and specify/indicate that they authorize discretion in order to grant the IAR discretionary authority. This authorization is contained in the firm's Agreement for Investment Management Services.

Item 17 – Voting Clients Securities

JHS does not retain proxy voting authority over client securities. In addition, JHS does not participate in class actions on behalf of clients. All such materials are sent directly to each client by the custodian or by the custodian's third party service provider on behalf of the custodian. Should JHS inadvertently receive any proxy materials or documents regarding class actions relating clients' securities, JHS will promptly forward such materials or documents to the respective client(s).

Item 18 – Financial Information

JHS has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts. JHS does not require prepayment of fees six months or more in advance.

**Acknowledgement of Receipt of JHS Capital Advisors Inc's
Part II of Form ADV and Privacy Notice**

Name of Client	
Account Number(s)	
Date of Investment Advisory Contract with Client	
Date of Delivery of Part II of Form ADV to Client	

I acknowledge that I have received a copy of JHS Capital Advisors Inc's ("JHS") Form ADV Part II dated October 5, 2011

_____ at least 48 hours prior to entering into an investment advisory contract with JHS

Or

_____ at the time of entering into an investment advisory contract with JHS. Since I have received the Part II of Form ADV at the time of entering into the contract, I may terminate the contract within 5 business days.

In addition, I acknowledge that I have received JHS's Privacy Notice.

Client Name (Print)

Client Signature

Date