

Schedule F of Form ADV

Continuation Sheet for Form ADV Part II

Applicant: Verde Capital Management, Inc.	SEC File Number: 801- 69167	Date: 05/28/2008
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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: Verde Capital Management, Inc.	IRS Empl. Ident. No.:
Item of Form (identify)	Answer

Item 1D	<p><u>ADVISORY SERVICES AND FEES</u></p> <p>Verde Capital Management, Inc. (hereinafter “VCM” or the “Adviser”) is a corporation formed under the laws of the State of Michigan and registered as an investment adviser with the Securities and Exchange Commission. VCM offers investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations or other organizations. This Schedule F narrative provides clients with information regarding VCM and the qualifications, business practices, and nature of advisory services that should be considered before becoming an advisory client of the Firm.</p> <p>Please contact Carl Szasz, President and Chief Compliance Officer, if you have any questions about this Schedule F narrative. Additional information about VCM is available on the Internet at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for VCM is 147179.</p> <p><u>DESCRIPTION OF SERVICES PROVIDED</u></p> <p><i>Portfolio Management</i></p> <p>VCM will emphasize continuous personal client contact and interaction in providing discretionary investment supervisory services. Further, VCM will work with its clients to identify their investment goals and objectives as well as risk tolerance in order to create an initial portfolio allocation designed to complement their clients’ goals and objectives. VCM may create a portfolio, consisting of individual stocks or bonds; no-load funds and/or load-waived funds (front-end commissions will not be charged).</p> <p>Investment strategies may include long term, short-term, trading, margin transactions and option writing strategies. Each portfolio will be initially designed to meet particular investment goals. VCM has determined that this portfolio is suitable to the client’s goals, objectives, circumstances, and risk tolerance. Once the appropriate portfolio has been determined, VCM will manage the client’s portfolio in accordance with the particular client’s investment goals and objectives. Each client will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. VCM’s strategy, generally, will be to seek to meet client investment objectives while providing clients with access to personal advisory services on at least an annual basis, or more often, depending upon prior agreement.</p> <p><i>FEE SCHEDULE: Portfolio Management</i></p> <p>VCM’s wrap fee for investment management will be payable monthly in advance and is described in detail in a separate disclosure brochure available to clients. The wrap fee is determined by a point system which considers the total account value, complexity of investments, level of trading activity, and</p>
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Item 1D	<p>level of service. Depending on each client’s individual circumstances and personal choice, the wrap fee may range between 1 - 3 %. The first payment is due upon execution of the Agreement, and will be assessed pro-rata and payable during the subsequent month in the event the Agreement is executed other than the first day of the new calendar month. Fees will be automatically deducted from the account. Clients will be provided with a quarterly statement reflecting deduction of the advisory fee. VCM reserves the right to negotiate advisory fees.</p> <p>As part of its wrap fee program, VCM assumes the cost of certain charges imposed by unaffiliated third parties. Such charges include custodial fees, brokerage commissions, transaction fees, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Charges imposed directly by a mutual fund, index fund, or exchange traded fund purchased for the account (i.e., fund management fees and other fund expenses) still apply and will be deducted from the Client’s assets. VCM discloses that although it strives to maintain its fiduciary duty at all times, there may be an incentive for VCM to trade less actively in client accounts because VCM assumes all trading costs. However, as described in the wrap fee brochure, the fee is designed to ensure the Client receives the level of service he or she desires.</p> <p>VCM reserves the right to manage 401(k) or other retirement accounts for an advisory fee in lieu of the wrap fee described above. Because most 401(k) accounts cannot be transferred to the advisor’s custodian of preference, the advisor performs fund selection and/or reallocation services for an annual advisory fee. VCM may charge its clients .5 – 1.5%, depending on the complexity of the 401(k) plan and the nature of the client’s individual circumstances. VCM’s Wrap Fee Program excludes all assets held in a 401(k), although VCM may manage Wrap Fee assets and 401(k) assets pursuant to a common Investment Advisory Agreement.</p> <p>Either party may terminate the agreement at any time by providing written notice to the other party. Full refunds will only be made in cases where cancellation occurs within five (5) business days of signing VCM’s investment advisory agreement. After five (5) business days, clients will receive pro-rata refunds, which take into account work completed by VCM on behalf of the client. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.</p> <p>A copy of the written disclosure statement for VCM, as set forth on Part II of Form ADV, shall be provided to each client prior to, or contemporaneously with, the execution of the Investment Advisory Agreement. Any client who has not received a copy of VCM’s written disclosure statement at least forty-eight (48) hours prior to executing the initial applicable agreement shall have five (5) business days</p>
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Complete amended pages in full, circle amended items and file with execution page (page 1).

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Item 1D	<p>subsequent to executing the agreement to terminate VCM’s services without penalty.</p> <p>Neither VCM nor the client may assign the Investment Advisory Agreement without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of VCM shall not be considered an assignment.</p> <p><i>Financial Planning and Consulting Services</i></p> <p>VCM will typically provide a variety of financial planning services, pursuant to a written Agreement, to individuals, families and other clients regarding the management of their financial resources based upon an analysis of client’s current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client’s financial goals and objectives. This planning or consulting may encompass one or more of the following areas: investment planning, retirement planning, estate planning, charitable planning, education planning, and business planning.</p> <p><i>FEE SCHEDULE: Financial Planning and Consulting Services</i></p> <p>VCM provides consultation on fixed fee basis for \$500-10,000, which may be negotiable depending on the nature and complexity of each client’s circumstances. An estimate for total hours will be determined at the start of the advisory relationship. A pro-rata share of the fees are generally assessed to the client on a monthly basis throughout the year, depending on the amount of the fee. Financial plans will be presented to the clients within 6 months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided by the clients. Clients may elect to either pay the advisory fee as a one-time payment or monthly deductions from a specified brokerage account.</p> <p>VCM’s fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, VCM shall not receive any portion of these commissions, fees, and costs.</p> <p>Either party may terminate the agreement at anytime by providing written notice to the other party within five (5) days of signing VCM’s financial planning agreement. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.</p> <p><u>ADDITIONAL INFORMATION CONCERNING FEES</u></p> <p>The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client (15 U.S.C. §80b-5(a)(1)).</p>
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Item 1D	<p>A client could invest in a mutual fund directly, without the services of VCM. In that case, the client would not receive the services provided by VCM which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to the client’s financial condition, goals, and objectives. Accordingly, the clients should review both the fees charged by the funds and the fees charged by VCM to fully understand the total amount of fees to be paid by the clients and to thereby evaluate the advisory services being provided.</p> <p>Advisory recommendations are based on the client’s financial situation at the time the services are provided and are based on financial information disclosed by the client to VCM. Clients are advised that certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. As the client’s financial situation, goals, objectives, or needs change, the client must notify VCM promptly.</p> <p>VCM shall never have custody of any client funds or securities, as the services of a qualified and independent custodian will be used for these asset management services.</p> <p>Upon client’s written authorization, fees will be automatically deducted from the account. Clients will be provided with a quarterly statement reflecting deduction of the advisory fee.</p>
Item 5	<p><u>EDUCATION AND BUSINESS STANDARDS</u></p> <p>VCM generally requires a college degree or equivalent industry experience for someone to become an investment advisory representative with the firm. In addition, all investment advisory representatives must have obtained all required licenses or an applicable professional designation.</p>
Item 6	<p><u>EDUCATION AND BUSINESS BACKGROUND</u></p> <p>Carl Szasz, Born 1983 <i>B.B.A., Pre-Law, Michigan State University, 2000</i> 5/2008 – Present, President and Chief Compliance Officer, Verde Capital Management, Inc. 11/2003 – 5/2008, Financial Advisor, Ameriprise</p> <p>Tommi Haden, Born 1981 <i>B.B.A., Sales and Marketing, Western Michigan University, 2003</i> 5/2008 – Present, Financial Advisor, Verde Capital Management, Inc. 1/2004 – 1/2007, Registered Representative, State Farm 1/2007 – 5/2008, Financial Adviser, Ameriprise</p>

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Item 7 (A,B)	<p><u>OTHER BUSINESS ACTIVITIES</u></p> <p>VCM hereby discloses that VCM is not, but VCM’s representatives are licensed agents with various insurance companies. Such firms may pay representatives a commission for the sale of their products. As such, a potential conflict of interest exists between VCM’s interest and the Clients. Insurance sales constitute about 15% of VCM’s business activities.</p>
Item 9E	<p><u>PARTICIPATION OR INTEREST IN CLIENTS’ TRANSACTIONS</u></p> <p><i>Code of Ethics</i></p> <p>VCM and/or its representatives may buy or sell for their personal account(s) investment products identical to those recommended to clients. It is the expressed policy of VCM that neither VCM, nor its representatives may purchase or sell any individual stock or bond prior to a transaction(s) being implemented for an advisory account. This policy is meant to prevent VCM and/or its representatives from benefiting as a result of transactions placed on behalf of advisory accounts. VCM has established the following restrictions in order to ensure its fiduciary responsibilities to clients are met:</p> <ol style="list-style-type: none"> 1) VCM’s representatives shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by their role as an Investment Advisory Representative of VCM, unless the information is also available to the investing public on reasonable inquiry. In no case, shall VCM’s representatives prefer their own interest to that of their advisory clients^(1,2). 2) VCM emphasizes the unrestricted right of its clients to decline to implement any advice rendered. 3) VCM recognizes it must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. <p>Footnotes</p> <p>(1) This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of VCM’s clients trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with VCM’s records in the manner set forth above.</p> <p>(2) Open-end mutual funds and/or the investment sub-accounts which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase of redemption. As such, transactions in mutual funds and/or variable insurance products by VCM are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by VCM’s investment policies and procedures.</p>

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Miscellaneous	<p><i>Insider Trading</i></p> <p>In accordance with Section 204A of the Investment Advisers Act of 1940, VCM also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by VCM.</p>
Miscellaneous	<p><i>Proxy Voting</i></p> <p>VCM does not vote proxies.</p>
Item 12B	<p><u>SUGGESTION OF BROKERS</u></p> <p>Adviser may execute or recommend that clients execute their securities transactions through various firms including, but not limited to broker-dealers such as Fidelity Institutional Wealth Services (“FIWS”) through Fidelity Brokerage Services LLC. These firms may charge commissions (ticket charges) for executing Adviser’s transactions. Adviser does not receive any part of these separate charges which are assessed directly to clients. FIWS does not have a role with respect to Adviser’s investment advisory accounts, however it may serve as the broker-dealer in cases where clients wish to execute recommendation as part of the implementation of a financial plan. It is important to note that FIWS does not maintain supervisory relationships with respect to Adviser or its representatives nor are they in any way affiliated with it. Adviser is independently owned and operated.</p> <p>Adviser may recommend/require that clients establish accounts with FIWS to maintain custody of clients’ assets and to effect trades for their accounts. FIWS may provide Adviser with access to their institutional trading and custody services, which are typically not available to FIWS retail investors. FIWS’s services include brokerage custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.</p> <p>For Adviser’s Client accounts maintained in their custody, FIWS does not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees or securities trades that are executed through FIWS or that settle into FIWS accounts.</p> <p>FIWS also makes available to Adviser other products and services that may benefit Adviser but which may not benefits its clients. These types of services will help Adviser in managing and administering client accounts. These include software and other technology that provide access to client account data (i.e. trade confirmations and account statements); facilitate trade executions; provide research, pricing information, and other market data; facilitate in the payment of Adviser’s fees from its clients’ accounts; and assist with back-office functions, record-keeping, and client reporting. Many of these services may be used to service all or a substantial number of Adviser’s accounts.</p>

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Item 12B (continued)	In all managed account cases, the custodian sends quarterly statements to Advisor's clients showing all disbursements for the custodian account including the amount of the advisory fees. Clients provide written authorization permitting Advisor to be paid directly for their accounts held by the custodian or trustee.
Item 13A	<u>Additional Compensation</u> Applicant may receive research and execution related services from the parties mentioned in Item 12(B) of Schedule F to assist Applicant in managing its accounts. These services and products would include financial publications, pricing information and other products or services. Such research and execution related services are offered to all investment advisers who utilize these firms. However, the commissions charged by these parties may be higher than those charged by a broker who does not provide the aforementioned research and execution related services.