



***PROACTIVE* Money Management, Inc.**

**Form ADV, Part II
Dated: October 22, 2012
and Privacy Policy**

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This brochure provides information about the qualifications and business practices of *PROACTIVE* Money Management, Inc. If you have any questions about the contents of this brochure, please contact us at 636-561-0100 and/or email jeff@proactive-inc.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. Additional information about *PROACTIVE* Money Management, Inc. is also available on the SEC’s website at www.adviserinfo.sec.gov.

PROACTIVE Money Management, Inc. is an Investment Adviser registered with the states of Missouri, Illinois, and Texas, and may only transact business in those states in which it is registered, or qualifies for an exemption or exclusion from registration requirements.

Item 2 – Material Changes

n/a

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Item 4 – Advisory Business

PROACTIVE Money Management, Inc. (“PMM”) is an independent registered investment advisor based in Dardenne Prairie, Missouri. The firm was founded in 1980 by C. Martin Unterreiner (father of Jeffrey J. Unterreiner). Prior to 2010, the firm was registered with the SEC, but since 2010 has been registered with the states of Missouri, Illinois, and Texas.

PMM is a wholly-owned subsidiary of Securities Research Associates, Inc., a financial services holding company. Jeffrey J. Unterreiner has been sole owner of Security Research Associates, Inc. since July 2005.

PMM provides investment allocation services for investment portfolios in mutual fund families, variable annuity and variable life policies, and on accounts with an independent custodian. Owners of all accounts sign a management agreement that describes the investment strategies available.

PMM primarily provides “model portfolios” whereby all accounts with the same strategy hold the same or similar portfolios. However, clients can (as indicated on the management agreement) exclude specific investments or types of investments.

Regulatory Assets Under Management as of 6/30/2012
\$15,719,231 in discretionary assets in 290 accounts
\$0 non-discretionary assets

Item 5 – Fees and Compensation

For our “Service System” strategies through the custody of an independent custodian, fees payable by the Client for services rendered by the Adviser pursuant to this Agreement shall be paid monthly at the annual rate shown below:

Account Value	Bond Styles	All other Styles
Less than \$100,000	1.9%	2.9%
\$100,000 to less than \$1 million	1.5	2.4
\$1 million to less than \$5 million	1.1	1.9
\$5 million to less than \$10 million	0.9	1.5
\$10 million to less than \$25 million	0.7	1.0
\$25 million or more	0.5	0.8

For our “Product System” strategies through individual mutual fund families or variable annuity/variable life products, fees payable by the Client for services rendered by the Advisor pursuant to this Agreement shall be billed each calendar quarter, in advance, at the annualized rate shown below:

Account Valuation	No-Load Funds &	
	Active Managers	All Other Products
Less than \$500,000	2.4%	2.0%
\$500,000 to less than \$1 million	1.9	1.5
\$1 million to less than \$5 million	1.4	1.0
\$5 million or more	1.0	0.8

Fees may be negotiable or performance-based for accredited investors.

For all strategies, fees may be paid annually in advance and a 10% discount is applied. For “Service” strategies, fees are deducted automatically based on the value at the end of each calendar month and no refund is due to clients who terminate their agreement in the middle of the month. For “Product” strategies, fees are billed to clients’ accounts if allowed by the product and authorized by the client. Otherwise billing is sent to the client by mail. If a client terminates the agreement before the end of the billing period, a prorated refund is given.

Additional fees and expenses: For “Service” strategies, accounts are held under custody of T.D. Ameritrade Institutional (“TDA”), and current pricing is that there is no account maintenance fee; however this is not guaranteed by PMM. Generally accounts hold mutual funds that are purchased through TDA without a sales charge or transaction fee. However some funds and purchases may include a fee, particularly in larger accounts where a transaction fee is justified to purchase an “institutional” class of shares with lower fund expenses. Regardless, funds held in the account will have operating expenses detailed in their own prospectus. For “Product” strategies, clients may pay a sales charge in connection with their purchase from a securities representative, and PMM only invests in the investment options available after the sale of the securities product. Products will have their own internal expenses as described in each product prospectus.

Jeffrey J. Unterreiner is a securities Principal registered with Arlington securities, Inc. Mr. Unterreiner does not receive any compensation from any purchases within “Service System” accounts, and accounts are generally invested in “no-load or “load-waived” mutual funds where no sales commission is paid. However, Mr. Unterreiner may receive compensation from the sale of securities products that are later managed in our “Product System.” This can be seen as presenting a conflict of interest as there may be an incentive to recommend investment products based on the compensation received, rather than on a client’s needs. Our procedure is to weigh the costs and benefits of all investment alternatives and to make the best recommendation net of all applicable fees. Fees and applicable conflicts are disclosed and discussed with each client. Clients may also purchase the same or similar investment products through other brokers or agents not affiliated with PMM.

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

PMM does not charge fees based on a share of capital gains in client accounts (performance-based fees).

Item 7 – Types of Clients

We provide investment advisory services primarily to individuals (including some high net worth individuals) and trust accounts. Accounts may also be held by foundations, non-profit organizations, corporations, or other business entities.

Normal minimum account size is \$100,000, but smaller accounts may be accepted usually at a higher fee level as disclosed in item 5.

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

PMM primarily creates portfolios of mutual funds in client accounts and actively manages those portfolios in an effort to take advantage of investment opportunities in the market. PMM will make allocation decisions between stocks & bonds, foreign & domestic holdings, small-cap vs. large-cap, growth vs. value and at times industry allocation based on where we see the opportunities in the current environment. Asset classes and industries are evaluated based on relative value, momentum, liquidity, sentiment, and any other factors that we find important to indicate the risk/reward opportunity in the current environment.

PMM offers 6 investment strategies in our “Service System” available under the custody of T.D. Ameritrade Institutional. Brief descriptions follow:

PROACTIVE Asset Allocation – When stocks are viewed as showing attractive investment value, the portfolio will be heavily invested in a globally diversified portfolio of small and large-cap stocks. We will try to identify market segments that we expect to outperform and will maintain limited exposure to bonds in this environment. When stocks are viewed as unattractive, we will hold a higher percentage of bonds and may purchase funds intended to perform inversely to the market in effort to offset core stock positions. Investors should expect volatility similar to that of the S&P 500.

OPTI-flex[®] Dynamic Asset Allocation – Now managed the same as our *PROACTIVE* Strategy model.

OPTI-flex[®] Dynamic Limited – Similar to our *OPTI-flex*[®] Dynamic strategy except that we will not purchase funds that have an objective of performing inversely to the market.

OPTI-flex[®] Aggressive Growth Strategy – Similar investment strategy to that of our *PROACTIVE* model. However, we may invest to exceed the volatility of the S&P 500 when we expect good times, and may in a negative environment purchase “inverse” funds not only to offset core positions, but with the intent to profit from periods of declining stock prices. Investors should expect volatility exceeding that of the S&P 500.

OPTI-flex[®] Conservative Growth Strategy – Similar investment strategy except that we will hold a larger core bond position, and may purchase or overweight more conservative equity positions. Note that our bond holdings may consist primarily of high-yield and emerging market debt, so may still exhibit significant fluctuation risk. Investors should expect volatility somewhat below that of the S&P 500.

OPTI-flex[®] Moderate Growth Strategy – Between our Dynamic and Conservative Growth strategies. Investors should expect volatility slightly below that of the S&P 500.

PMM offers 2 investment strategies in our “Product System” available in mutual fund families and variable annuity and variable life insurance policies. Brief descriptions follow:

OPTI-flex[®] Dynamic Strategy – When stocks are viewed as showing attractive investment value, the portfolio will be heavily invested in a global portfolio of stocks. We will try to identify market segments that we expect to outperform and will overweight these segments as available in the managed product. Bond holdings will be limited when stocks are attractive. When stocks are viewed as unattractive, we will hold a higher percentage of bonds and money market funds. Investors should expect volatility similar to that of the S&P 500 Index.

OPTI-flex[®] Aggressive Strategy – Similar investment strategy to our Dynamic model except that we will usually hold a smaller bond portfolio, and may be more active in making short-term changes to the portfolio. Investors should expect volatility in excess of that of the S&P 500 Index.

In addition to these listed strategies, PMM may custom design a strategy for a client or clients with special needs and circumstance.

Item 9 – Disciplinary Information

We do not have any legal, financial, or other disciplinary action to report for the firm or its principal. We are obligated to disclose any disciplinary event that would be material to you when evaluating the establishment or maintenance of a client/adviser relationship with us.

Item 10 – Other Financial Industry Activities and Affiliations

Jeffrey J. Unterreiner is a securities Principal registered with Arlington Securities, Inc. As such, Mr. Unterreiner may receive compensation for the sale of securities products to clients who may or may not also be clients of PMM.

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

Code of Ethics: We have adopted and maintain a Code of Ethics (“Code”) that sets forth the standards of conduct required of our firm and its employees, officers and directors (collectively “Associates”), and that requires compliance with federal and state securities laws. As a fiduciary, we have a duty of utmost good faith to act solely in the best interests of each of our clients. Our Code is designed to detect and prevent violations of securities laws, and to identify any potential conflicts of interest that we may have with our advisory clients.

Our Code outlines the standards of conduct expected of our Associates and includes restrictions on personal trading, the solicitation or acceptance of gifts, and engaging in outside business activity. Additionally, Associates are prohibited from using insider information to trade in personal accounts or on behalf of our clients.

Our Code includes policies and procedures relating to the personal investment activities of the Associates subject to the Code, including transactions involving securities that we have recommended to clients and that are held in client accounts. Depending upon an Associates’ functions, duties and obligations, these policies and procedures may require preclearance and/or reporting of personal securities transactions, timing and other restrictions on transactions, outright prohibitions and compliance certification.

Our Code also requires the maintenance and review of certain records as well as periodic meetings to familiarize Associates subject to the Code of their responsibilities and obligations under it. A copy of the Code will be furnished, free of charge, to any person who so requests.

Participation or Interest in Client Transactions: PMM does not participate in principal transactions, i.e. the purchasing of securities for our own account from advisory clients, or selling securities from our own account to advisory clients.

Personal Trading: Our Associates from time to time purchase or sell for their own accounts securities that we recommend to advisory clients. Associates are subject to certain restricted trading periods in connection with the purchase or sale of securities in personal securities transactions. In addition, Associates are required to disclose or obtain approval from

the Chief Compliance Officer for all applicable securities transactions. Beyond this, we do not recommend for clients securities in which we or affiliates have an ownership interest.

Item 12 – Brokerage Practices

Principals of PMM may attend due diligence conferences or receive investment research from companies that we may or may not have investments with. This can be seen as an incentive to invest with that company or to maintain existing holdings. Most often, the dealer used and commission rate (if any) is set by the custodian, so only indirectly under our discretion as a result of choosing the account custodian.

Item 13 – Review of Accounts

Jeff Unterreiner, portfolio manager, reviews the appropriateness of investments held in model portfolios based on fundamental and technical analysis on a daily basis. The System Administrator (Desila Merry for “Service System” accounts, or Tonjua Donnelly for “Product System accounts) reviews each account’s holdings and performance relative to the model portfolio on at least a quarterly basis. Many accounts are referred from “Solicitors” who are often securities representatives registered with FINRA. Each solicitor is required to review client portfolios for suitability at least annually. For accounts without a solicitor, Mr. Unterreiner performs a suitability review at least annually.

PMM provides quarterly written reports to clients for each managed account. At a minimum, such quarterly reports include a narrative review from the portfolio manager, an account valuation including amount of all securities holdings and valuation for each account holding, and a performance review of the account from inception.

Item 14 – Client Referrals and Other Compensation

Clients are often referred to PMM through solicitors. All Solicitors or Solicitor firms have a written agreement with PMM, which requires Solicitors to comply with the Cash Payment for Client Solicitations rule in 17 CFR 275.206 (4)-3. Solicitors represent PMM in presenting information to prospective Clients relevant to PMM's money management strategies. PMM’s referral agreement is in compliance with the federal regulations as set out in Section 17 CFR 275-206(4)-3, and each client is given a copy of the referral agreement prior to or at the

time of entering into an advisory contract in Missouri. Solicitors are prohibited from making investment recommendations or giving investment advice to Clients or prospective Clients while acting on behalf of PMM.

Solicitors and Solicitor broker/dealers normally receive a referral fee calculated at fifty percent of PMM's advisory fee for their referral solicitation services on an ongoing basis. Solicitor firms and broker/dealers share these commissions with the Soliciting representative. Certain broker/dealer firms and/or associated Registered Investment Advisory firms may be paid an additional percentage of the advisory fee, which is not shared with their representatives, for supervisory, compliance, and marketing services. Solicitors are not involved in the money management decision making process of PMM.

Item 15 – Custody

We do not have custody of client assets, except as a consequence of our ability to deduct our advisory fees directly from certain client accounts who have provided us written authority to do so. For “Service System” accounts, clients receive a monthly account statement from the custodian showing all transactions for the month including the application of the management fee. For “Product System” accounts, the product sponsor (generally the mutual fund family or annuity/life company) serves as custodian and provides periodic statements to the client. Clients will receive an invoice from PMM along with their quarterly report, and PMM may deduct the fee from the account if instructed by the client.

We urge you to compare the quarterly statements from us and from the custodian, and to report any significant discrepancies to us and/or the custodian. Minor discrepancies may occur in the ordinary course of business due to minor variations in security valuations from different pricing services, unsettled trades, or for other reasons. In our regular reconciliation process, we will investigate any discrepancies as they occur.

For tax and reporting purposes, the statement from your custodian is the official record of your account(s) and assets, and the custodian is also responsible for providing you with year-end tax documentation.

Item 16 – Investment Discretion

Unless otherwise agreed in writing, by signing our Investment Advisory Agreement, clients give us the discretion to act on their behalf as to the securities to be purchased or sold in their account, the amount of securities to be purchased or sold, the broker-dealer to be used for transactions, and the commission rate to be paid (if applicable). Clients may restrict our investment discretion as specified in our Agreement or as indicated in Item 4 of this document.

Item 17 – Voting Client Securities

PMM has adopted and maintains a written proxy voting policy which describes our approach to voting proxy proposals. Proxies are voted on a case-by-case basis in the best interest of clients. We are not required to vote a proxy if the cost of voting the proxy responsibly outweighs the benefit to the client of voting that proxy. A copy of our proxy voting policies and procedures will be provided free of charge upon request. You may opt out of this proxy voting service and vote your own proxies by requesting the custodian to send proxies directly to you.

Item 18 – Financial Information

We do not require or solicit prepayments of more than \$500 in fees per client six months or more in advance, so we have no financial reporting for this item. We have no financial conditions which would impair our ability to meet our contractual obligations to our clients.

Item 19 – Requirements for State-Registered Advisors

Jeffrey J. Unterreiner is President and Portfolio Manager of PMM. Required information about Mr. Unterreiner is located in the Brochure Supplement on the following page.

Form ADV, Part 2B, Brochure Supplement for Jeffrey J. Unterreiner

Item 1 – Cover Page: This brochure supplement provides information about Jeffrey J. Unterreiner that supplements the *PROACTIVE* Money Management, Inc. brochure. You should have received a copy of that brochure. Please contact Tonjua Donnelly at 636-561-0100 if you did not receive *PROACTIVE* Money Management Inc's brochure or if you have any questions about the contents of this supplement. Additional Information about Jeffrey J. Unterreiner is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Educational Background and Business Experience: Jeffrey J. Unterreiner was born on May 6, 1969. He graduated from the University of Missouri – St. Louis, with a major in Business Administration. He has been in the financial services business for over 25 years, and has assisted in the development and investment decision process for our investment strategies for most of our history. Mr. Unterreiner was President of ThomasLloyd Capital LLC (formerly *PROACTIVE* Financial Services, Inc.) from its inception in October 1994 through October 2005, and currently is a registered principal of Arlington Securities, Inc. (“ASI”). He has been President of PMM from July 1, 1997 to December 9, 2002 and since July 1, 2005. He has managed the *PROACTIVE* Strategy since its inception in June of 2001, and has managed the various *OPTI-flex*[®] strategies since July 31, 2002.

Item 3 – Disciplinary Information: There are no disciplinary events material to a client's or prospective client's evaluation of Mr. Unterreiner.

Item 4 – Other Business Activities: As a securities representative with Arlington Securities, Inc., and a licensed insurance agent in the lines of life and health, Mr. Unterreiner can provide more comprehensive financial planning services to clients who wish to engage us beyond our portfolio management services. While the different licenses can provide a conflict of interest in offering products with different compensation schedules, we endeavor to make all investment recommendations in the best interest of clients.

Item 5 – Additional Compensation: Mr. Unterreiner does not receive any additional compensation for advisory services not previously disclosed.

Item 6 – Supervision: Mr. Unterreiner is the sole Principal of PMM and as such is not supervised directly. However, as a Principal of ASI, his securities and investment related business is supervised by the compliance department of ASI, and PMM is subject to examination and review by regulators in the states in which PMM is registered.

Item 7 – Requirements for State-Registered Advisers: Mr. Unterreiner has not been the subject of any judgments or bankruptcy proceedings to be disclosed pertinent to this item.

PROACTIVE Money Management, Inc. – Privacy Policy

The public is increasingly concerned about the privacy of personal information. We at *PROACTIVE* take the privacy of our clients very seriously. We know that the success of our business depends on the trust our customers put in us to safeguard their assets and to protect the personal information we collect and maintain about them.

In order to enhance our ability to provide you with the best service possible, *PROACTIVE* (we/us) collects, uses, and shares certain information about you. This policy explains what information we collect and with whom we share it. The practices described in this policy are applicable to all consumers, including current and former customers, who do business with us. The policy also explains how we protect the security and confidentiality of our customer information.

A. INFORMATION WE COLLECT AND SOURCES OF INFORMATION

We may collect information about applicants to help identify you, evaluate your application, service and manage your account and offer services and products you may find valuable. We collect this information from a variety of sources including:

- Information we receive from you on applications or other forms (e.g., your name, address, date of birth, social security number and investment information);
- Information about your transactions and experiences with us and our affiliates (e.g., your account balance, transaction history and investment selections); and
- Information we obtain from third parties regarding their brokerage, investment advisory, custodial, or other relationship with you (e.g., your account number, account balance and transaction history).

B. INFORMATION WE SHARE WITH SERVICE PROVIDERS OR JOINT MARKETERS

We may disclose all or part of the information we collect, as described in paragraph A, to companies (including affiliates) that perform services on our behalf, including those that assist us in responding to inquiries, processing transactions, preparing and mailing account statements and other forms of shareholder servicing. We also may provide that information to others who perform marketing services for us and to

financial institutions with which we jointly offer financial products or services, provided they use the information solely for those purposes and they enter into a confidentiality agreement regarding the information.

C. INFORMATION WE SHARE WITH AFFILIATES

Our affiliates are financial service providers who offer administrative, investment advisory, brokerage, and other financial services. In addition to the information we share with affiliates that provide services to us, we may share information described in paragraph A among affiliates to better assist you in achieving your financial goals.

D. INFORMATION WE SHARE WITH NON-AFFILIATED THIRD PARTIES

We do not disclose any nonpublic personal information about our customers or former customers to nonaffiliated third parties, except as described in paragraph B and as permitted by law.

E. SECURITY AND CONFIDENTIALITY OF YOUR INFORMATION

We take steps to safeguard customer information. We restrict access to nonpublic personal information about you to those employees (or people, working on our behalf and under confidentiality agreements) who need to know that information in order to provide products and services to you. We also maintain physical, electronic, and procedural safeguards that comply with Federal regulations to guard your nonpublic personal information.

F. CHANGES TO THIS POLICY

We may amend this policy at any time and we will notify you of changes to its terms and conditions. *PROACTIVE* will provide customers notice of its privacy policy annually.

G. QUESTIONS

If you have any questions about our privacy policy, please contact us toll free at: 888-776-2284