

Schedule F of Form ADV

Applicant: Efficient Market Advisors, LLC	SEC File Number: 801-66784	Date: 07.01.2010
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Continuation Sheet for Form ADV Part II

(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: Efficient Market Advisors, LLC	IRS Empl. Ident. No.: 41-2143010
Item of Form (identify)	Answer
1A(1)	<p>ADVISORS SERVICES AND FEES</p> <p>Efficient Market Advisors, LLC ("EMA") offers a wide range of investment advisory services to its Clients with a focus on the use of multiple exchange traded funds (ETF's) with regular rebalancing pursuant to modern portfolio theory. Advice and services are tailored to the stated objectives of the Client. Except as otherwise instructed, Client grants EMA ongoing and continuous discretionary authority to execute its investment recommendations in accordance with EMA's Investment Policy Statement (or similar document used to establish Client's objectives and suitability), without the Client's prior approval of each specific transaction. Under this authority, Client shall allow EMA to purchase and sell securities and instruments in this account, arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on behalf of the Client in most matters necessary or incidental to the handling of the account, including monitoring certain assets. Unless specifically directed otherwise in writing by the Client, EMA is not authorized to receive and vote proxies on issues held in the account or receive annual reports. Client will execute instructions regarding EMA's trading authority as required by each custodian.</p> <p>In some circumstances, Client grants EMA non-discretionary authority to execute its investment recommendations in accordance with EMA's Investment Policy Statement (or similar document used to establish Client's objectives and suitability) and the directions and preferences provided to EMA by the Client. Non-discretionary authority requires EMA to obtain Client's prior approval of each specific transaction prior to executing investment recommendations, as well as for the selection and retention of sub-advisors to the account.</p> <p>Compensation to EMA for its services will be calculated in accordance with "Schedule A" of the Investment Advisory Agreement, which may be amended from time to time by EMA upon 30 days prior written notice to Client. Such fees may be paid directly to EMA from the account by the custodian upon submission of an invoice to custodian showing the amount of fees, the value of the Client's assets on which the fees are based, and the specific manner in which the fees are calculated. Payment of fees may result in the liquidation of Client's securities if there is insufficient cash in the account. If applicable, Client may be required to pay, in addition to EMA's fee, a proportionate share of any mutual fund's fees and charges.</p> <p>In consideration for EMA's services, the Client will pay EMA a fee quarterly in advance, with payment due within 10 days from the date of the invoice. The fee will be equal to the agreed upon rate per annum, times the market value of the account, divided by the number of days in the agreed upon year and multiplied by the number of days in the quarter. The market value will be construed to equal the sum of the values of all assets in the account, not adjusted by any margin debt. Fees for partial quarters at the commencement or termination of this Agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the quarter. Quarterly fee adjustments for additional assets received into the account during a quarter or for partial withdrawals will also be provided on the above pro rata basis.</p>

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	<p>While fees may be negotiable in certain situations, EMA typically uses the following fee schedule.</p> <p><u>Maximum Fee Schedule</u></p> <p style="padding-left: 40px;">2.00% on assets under \$500,000 1.80% on assets between \$500,000 and \$1,000,000 1.60% on assets between \$1,000,000 and \$2,500,000 Fees on assets in excess of \$2,500,000 are negotiable</p> <p>For purposes of determining value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded (or, if there shall be no sales on such date, then at the mean between the closing bid and asked prices on such date). Other readily marketable securities shall be priced using a pricing service or through quotations from one or more broker dealers. All other assets shall be valued at fair value by EMA whose determination shall be conclusive. EMA may modify the terms in this Section prospectively on at least 30 days prior written notice.</p> <p>All brokerage commissions, stock transfer fees, custodial fees, and other similar charges incurred in connection with transactions for the account will be paid out of the assets in the account and are in addition to the investment management fees paid to EMA. The Client bears responsibility for verifying the accuracy of fee calculations.</p> <p>EMA is authorized in its discretion to aggregate purchases and sales and other transactions made for the account with purchases and sales and other transactions in the same or similar securities or instruments for other Clients of EMA. When transactions are so aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the account will be deemed to have purchased or sold its proportionate share of the securities or instruments involved at the average price so obtained. Stock exchange regulations may in certain instances prevent the executing broker-dealer from delivering to the account a confirmation slip with respect to its participation in the aggregated transaction and, in such event, EMA will advise the Client in writing of any purchase or disposition of instruments for the account with respect to any such aggregated transaction. EMA will direct that confirmations of any transactions effected for the account will be sent, in conformity with applicable law, to the Client.</p> <p>EMA will use its best judgment and good faith efforts in rendering services to Client. EMA cannot warrant or guarantee any particular level of account performance, or that any account will be profitable over time. <u>Not every investment decision or recommendation made by EMA will be profitable.</u> Client assumes all market risk involved in the investment of account assets under the Investment Advisory Agreement and understands that investment decisions made for this account are subject to various market, currency, economic, political and business risks. Except as may otherwise be provided by law, EMA will not be liable to Client for (a) any loss that Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by EMA with that degree of care, skill, prudence and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; (b) any loss arising from EMA's adherence to Client's instructions; or (c) any act or failure to act by a custodian of Client's account. The above language does not relieve EMA from any responsibility or liability EMA may have under state or federal statutes.</p>

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	3(L)	<p>EMA does not have custody of the assets in the account and shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount of such loss is covered by the Securities Investor Protection Corporation ("SIPC") or any other insurance which may be carried by the custodian. The Client understands that SIPC provides only limited protection for the loss of property held by a broker-dealer.</p> <p>TYPES OF INVESTMENTS</p> <p>In addition to those listed EMA will use multiple exchange traded funds (ETF's) in connection servicing its clients.</p>
	4(A-C)	<p>INVESTMENT ANALYSIS AND STRATEGIES</p> <p>EMA uses historical performance of indexes to design portfolios, pursuant modern portfolio theory, using a technique known as optimization. Strategic asset allocation models are further refined via tactical decisions based on the portfolio manager's view of the current investment landscape. Model portfolios may be periodically re-optimized as additional historical data becomes available through the passage of time. Client portfolios are reviewed for dispersion from target asset allocation and rebalanced as necessary.</p>
	5	<p>EDUCATION AND BUSINESS STANDARDS</p> <p>Persons associated with EMA, other than persons whose functions are strictly clerical, are required to have a college degree and/or a professional designation such as J.D., CPA, CFA, CFP, CLU, MBA, or no less than five years in the securities business.</p> <p>The Advisor has adopted a Code of Ethics which all employees are required to follow. The Code of Ethics outlines proper conduct related to all services provided to Clients. Prompt reporting of internal violations is mandatory. The Advisor's chief compliance officer regularly evaluates employee performance to ensure compliance with the code of ethics. A copy of the code of ethics is available to any client upon request.</p>
	6	<p>EDUCATION AND BUSINESS BACKGROUND</p> <p>Herbert W. Morgan Born August 24, 1966</p> <p><u>Business Background:</u></p> <p>2004–Present: Efficient Market Advisors, LLC, Member Owner, Chief Investment Officer, Investment Advisor Representative. Del Mar, California 2002-2004: LPL Financial Services, Inc., Senior Vice-President. San Diego, California 2000-2002: Dreyfus Investments, Inc., Senior Vice-President. New York, New York 1996-2000: Pilgrim Securities, Inc., Senior Vice-President. Phoenix, Arizona</p>

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	7(A)/ 8(C)(3)/8(D)/(C)(3)	<p><u>Educational Background:</u></p> <p>1984-1988: University of California, Santa Cruz, B.A. Economics (with Honors)</p> <p>OTHER BUSINESS ACTIVITIES AND AFFILIATIONS</p> <p>Herbert W. Morgan, is also the CEO of Morgan Financial Enterprises, Inc., general partner to a limited partnership engaged in real estate development. Mr. Morgan may, at times, solicit clients of EMA to invest in the development partnership. From time to time, EMA acts as a consultant for unrelated investment advisory firms and charges a flat fee for such service.</p> <p>PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS</p> <p>9(E) EMA or individuals associated with EMA may buy and sell some of the same securities for its own account that EMA buys and sells for its Clients. In all instances EMA will purchase or sell securities for its own or its principal's personal accounts at the same time it purchases securities for client accounts. In some cases EMA may buy or sell securities for its own or its principal's accounts for reasons not related to the strategies adopted by EMA's Clients.</p> <p>EMA will disclose to advisory Clients any material conflict of interest relating to EMA, its representatives, or any of its employees which could reasonably be expected to impair the rendering of unbiased and objective advice.</p> <p>CONDITIONS FOR MANAGING ACCOUNTS</p> <p>10 Generally, EMA requires an initial and maintenance minimum account value of \$100,000 as a condition of managing Client accounts.</p> <p>INVESTMENT OR BROKERAGE DISCRETION</p> <p>12(A)(B) Generally, EMA has the authority to determine, without obtaining specific Client consent, the securities bought or sold and the amount of securities bought or sold and commission rates paid. The only restrictions on the above discretionary authority are those set by the Client on a case by case basis. EMA makes it a practice to question Clients to determine if there are any limitations to EMA's discretionary authority on the above matters.</p> <p>Except to the extent that the Client directs otherwise, EMA may use its discretion in selecting or recommending the broker-dealer trust company that will act as custodian. The Client is not obligated to effect transactions through any custodian recommended by EMA. In recommending custodians, EMA will generally seek "best execution." In recommending a custodian EMA will comply with its fiduciary duty to obtain best execution and with the Securities Exchange Act of 1934 and will take into account such relevant factors as (a) price, (b) the custodian's facilities, reliability and financial responsibility, (c) the ability of the custodian to effect transactions, particularly with regard to such aspects as timing, order size and execution of order, (d) the research</p>

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13(A)(B)	<p>and related services provided by such broker-dealer or trust company to EMA, notwithstanding that the account may not be the direct or exclusive beneficiary of such services and (e) any other factors EMA considers to be relevant.</p> <p>EMA participates in the TD AMERITRADE Institutional program. TD AMERITRADE Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD AMERITRADE is an unaffiliated SEC-registered broker-dealer and FINRA member. TD AMERITRADE offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. EMA receives some benefits from TD AMERITRADE through its participation in the program. (Please see the disclosure under Item 13.A. below.) EMA and/or EMA Advisory Representatives may receive benefits such as assistance with conferences and educational meetings from product sponsors.</p> <p>Recommending a broker dealer or a trust company as a custodian can create a conflict of interest. Accordingly EMA has established the following restrictions in order to ensure its fiduciary responsibilities:</p> <ol style="list-style-type: none"> 1. A Director, officer, associated person, or employee of EMA shall not buy or sell securities for his/her personal portfolio where his/her decision is substantially derived, in whole or in part, by reason of his/her employment unless the information is also available to the investing public or reasonable inquiry. No person of EMA shall prefer his/her own interest to that of EMA Client. 2. EMA maintains a list of all securities holdings for itself and anyone associated with its advisory practice with access to EMA's recommendations. These holdings are reviewed on a regular basis by an appropriate officer of EMA. 3. All Clients are fully informed that certain individuals may receive separate compensation when effecting transactions. 4. EMA emphasizes the unrestricted right of the Client to decline to implement any advice rendered, except in situations where EMA has been granted discretionary authority over the Client's account. 5. EMA emphasizes the unrestricted right of the Client to select and choose any broker or dealer, and/or trust company he/she wishes. 6. EMA requires that all associated individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices. 7. Any individual not in observance of the above will be subject to discipline, up to and including termination. <p>ADDITIONAL COMPENSATION</p> <p>As disclosed under Item 12.B. above, EMA participates in TD Ameritrade's institutional customer program and EMA may recommend TD AMERITRADE to Clients for custody and brokerage services. There is no direct link between EMA's participation in the program and the investment advice it gives to its Clients, although EMA receives economic benefits through its participation in</p>

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	<p>the program that are typically not available to TD AMERITRADE retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving adviser participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to EMA by third party vendors. TD AMERITRADE may also have paid for business consulting and professional services received by EMA's related persons. Some of the products and services made available by TD AMERITRADE through the program may benefit Adviser but may not benefit its Client accounts. These products or services may assist Adviser in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD AMERITRADE are intended to help Adviser manage and further develop its business enterprise. The benefits received by Adviser or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Adviser or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Adviser's choice of TD AMERITRADE for custody and brokerage services.</p> <p>Generally, in addition to a broker's ability to provide "best execution," we may also consider the value of "research" or additional brokerage products and services a broker-dealer has provided or may be willing to provide. This is known as paying for those services or products with "soft dollars." Because many of the services or products could be considered to provide a benefit to the firm, and because the "soft dollars" used to acquire them are client assets, the firm could be considered to have a conflict of interest in allocating client brokerage business: it could receive valuable benefits by selecting a particular broker or dealer to execute client transactions and the transaction compensation charged by that broker or dealer might not be the lowest compensation the firm might otherwise be able to negotiate. In addition, the firm could have an incentive to cause clients to engage in more securities transactions than would otherwise be optimal in order to generate brokerage compensation with which to acquire products and services.</p> <p>The firm's use of soft dollars is intended to comply with the requirements of Section 28(e) of the Securities Exchange Act of 1934. Section 28(e) provides a "safe harbor" for investment managers who use commissions or transaction fees paid by their advised accounts to obtain investment research services that provide lawful and appropriate assistance to the manager in performing investment decision-making responsibilities. As required by Section 28(e), the firm will make a good faith determination that the amount of commission or other fees paid is reasonable in relation to the value of the brokerage and research services provided. That is, before placing orders with a particular broker, we generally determine, considering all the factors described below, that the compensation to be paid to TD Ameritrade is reasonable in relation to the value of all brokerage and research products and services provided by TD Ameritrade. In making this determination, we typically consider not only the particular transaction or transactions, and not only the value of brokerage and research services and products to a particular client, but also the value of those services and products in our performance of our overall responsibilities to all of our clients. In some</p>

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	<p>cases, the commissions or other transaction fees charged by a particular broker-dealer for a particular transaction or set of transactions may be greater than the amounts another broker-dealer who did not provide research services or products might charge.</p> <p><u>Research and Brokerage Products and Services.</u> “Research” products and services we may receive from broker-dealers may include economic surveys, data, and analyses; financial publications; recommendations or other information about particular companies and industries (through research reports and otherwise); and other products or services (e.g., computer services and equipment, including hardware, software, and data bases) that provide lawful and appropriate assistance to the firm in the performance of its investment decision-making responsibilities. Consistent with Section 28(d), brokerage products and services (beyond traditional execution services) consist primarily of computer services and software that permits us to effect securities transactions and perform functions incidental to transaction execution. We generally use such products and services in the conduct of our investment decision-making generally, not just for those accounts whose commissions may be considered to have been used to pay for the products or services.</p> <p><u>Other Uses and Products.</u> The firm may use some products or services not only as “research” and as brokerage (i.e., to assist in making investment decisions for clients or to perform functions incidental to transaction execution) but for our administrative and other purposes as well. In these instances, we make a reasonable allocation of the cost of the products and services so that only the portion of the cost that is attributable making investment decisions and executing transactions is paid with commission dollars and we bear the cost of the balance. Our interest in making such an allocation differs from clients’ interest, in that we have an incentive to designate as much as possible of the costs as research and brokerage in order to minimize the portion that the firm must pay directly.</p> <p><u>Mutual Fund Transactions.</u> Although shares of no-load mutual funds can be purchased and redeemed without payment of transaction fees, we may, consistent with our duty of best execution, determine to cause client accounts to pay transaction fees that may be higher than those obtainable from other broker-dealers when purchasing shares of certain no-load mutual funds through TD Ameritrade in order to obtain “research.” This research may not be used for the exclusive benefit of the clients who pay transaction fees in purchasing mutual fund shares.</p> <p><u>Amount and Manner of Payment.</u> A broker-dealer through which the firm wishes to use soft dollars may establish “credits” arising out of brokerage business done in the past, which may be used to pay, or reimburse the firm for, specified expenses. In other cases, a broker-dealer may provide or pay for the services or product and suggest a level of future business that would fully compensate it. The actual level of transactional business the firm does with a particular broker-dealer during any period may be less than such a suggested level, but may exceed that level and may generate unused soft dollar “credits.” We do not exclude a broker-dealer from receiving business simply because the broker-dealer has not been identified as providing soft dollar research products and services, although we may not be willing to pay the same commission to such broker-dealer as we would have paid had the broker-dealer provided such products and services.</p> <p>EMA may enter into a written Solicitor Agreement with certain individuals in which they receive a</p>

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	portion of the net asset management fees specific to clients referred to EMA. The Solicitor Agreement requires the following: (a) Solicitor will avoid any statutory disqualification; (b) Solicitor is undertaking to perform the duties pursuant to all applicable laws, rules and regulations and Instructions of EMA; and, (c) Solicitor must provide each client with a copy of EMA's Form ADV Part II and Disclosure Document disclosing Solicitor's activities and compensation. Solicitor submits to EMA Client Acknowledgment of receipt of Form ADV Part II and Disclosure Document.

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