

Firm Brochure
(Part 2A of Form ADV)

Cornerstone Retirement Services, Inc.
689 Sierra Rose Drive, Suite A-2
Reno, NV 89511
PHONE: 775-853-9033
FAX: 775-853-9088
EMAIL: info@cornerstoneretirement.com

This brochure provides information about the qualifications and business practices of Cornerstone Retirement Services, Inc. Being registered as a registered investment adviser does not imply a certain level of skill or training. If you have any questions about the contents of this brochure, please contact us at: 775-853-9033, or by email at info@cornerstoneretirement.com.

Additional information about Cornerstone Retirement Services, Inc. is available on the SEC's website at www.adviserinfo.sec.gov

June 3, 2011

Item 2: Material Changes

A. Annual Update

The Material Changes section of this brochure will be updated annually or when material changes occur since the previous release of the Firm Brochure.

B. Material Changes since the Last Update

Initial Filing

C. Full Brochure Available

This Firm Brochure being delivered is the complete brochure for the Firm.

Item 3: Table of Contents
Form ADV – Part 2A – Firm Brochure

Item 1: Cover Page

Item 2: Material Changes i

- A. Annual Update i
- B. Material Changes since the Last Update i
- C. Full Brochure Available i

Item 3: Table of Contents ii

Item 4: Advisory Business 1

- A. Firm Description 1
- B. Types of Advisory Services 1
- C. Client Tailored Services and Client Imposed Restrictions 2
- D. Wrap Fee Programs 2
- E. Client Assets under Management 2

Item 5: Fees and Compensation 2

- A. Method of Compensation and Fee Schedule 2
- B. Client Payment of Fees 3
- C. Additional Client Fees Charged 3
- D. Prepayment of Client Fees 3
- E. External Compensation for the Sale of Securities to Clients 3

Item 6: Performance-Based Fees 3

- A. Sharing of Capital Gains 3

Item 7: Types of Clients 4

- A. Description 4
- B. Account Minimums 4

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss 4

- A. Methods of Analysis and Investment Strategies 4
- B. Investment Strategy and Method of Analysis Material Risks 4
- C. Security Specific Material Risks 4

Item 9: Disciplinary Information 5

- A. Criminal or Civil Actions 5

B.	Administrative Enforcement Proceedings	5
C.	Self Regulatory Organization Enforcement Proceedings	5
Item 10:	Other Financial Industry Activities and Affiliations	5
A.	Broker-Dealer or Representative Registration.....	5
B.	Futures or Commodity Registration.....	6
C.	Material Relationships Maintained by this Advisory Business and Conflicts of Interest.....	6
D.	Recommendations or Selections of Other Investment Advisors and Conflicts of Interest	6
Item 11:	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	6
A.	Code of Ethics Description	6
B.	Investment Recommendations Involving a Material Financial Interest and Conflict of Interest	6
C.	Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest	7
D.	Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest.....	7
Item 12:	Brokerage Practices	7
A.	Factors Used to Select Broker-Dealers for Client Transactions	7
B.	Aggregating Securities Transactions for Client Accounts.....	7
Item 13:	Review of Accounts.....	8
A.	Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved.....	8
B.	Review of Client Accounts on Non-Periodic Basis	8
C.	Content of Client Provided Reports and Frequency	8
Item 14:	Client Referrals and Other Compensation.....	8
A.	Economic benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest	8
B.	Advisory Firm Payments for Client Referrals.....	8
Item 15:	Custody	8
A.	Account Statements	8
Item 16:	Investment Discretion	8
A.	Discretionary Authority for Trading.....	8

Item 17: Voting Client Securities	9
A. Proxy Votes.....	9
Item 18: Financial Information	9
A. Balance Sheet.....	9
B. Financial Conditions Reasonably Likely to Impair Advisory Firm’s Ability to Meet Commitments to Clients.....	9
C. Bankruptcy Petitions during the Past Ten Years	9
Item 19: Requirement for State Registered Advisors	9
Education and business background, including any outside business activities for all management and supervised persons can be found in the Supplement to this Brochure (part 2B of Form Adv Part 2).	9
Supervised Person Brochure (Part 2B of Form ADV)	10
Christopher Abts	10
A. Educational Background and Business Experience	11
B. Disciplinary Information	11
C. Other Business Activities	11
D. Additional Compensation	11
E. Supervision	11
F. Requirements for State-Registered Advisors	12

Item 4: Advisory Business

A. Firm Description

Cornerstone Retirement Services, Inc., ("Cornerstone") was founded in 2011. Christopher Abts is 100% owner.

Cornerstone provides personalized confidential financial planning and solicits for third party money managers to individuals, high net worth individuals, pension and profit sharing plans, trusts, estates, charitable organizations, doctors and small businesses. Advice is provided through consultation with the client and may include: determination of financial objectives, identification of financial problems, cash flow management, tax planning, insurance review, investment management, retirement planning, and estate planning.

Cornerstone is a fee based financial planning firm. The firm's President has an affiliated entity that sell insurance products.

Investment advice is an integral part of financial planning. In addition, Cornerstone advises clients regarding cash flow, retirement planning, tax planning, estate planning and legacy planning.

An evaluation of each client's initial situation is made. Periodic reviews are also communicated to provide reminders of the specific courses of action that need to be taken. More frequent reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

Other professionals (e.g., lawyers, accountants, insurance agents, etc.) are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

B. Types of Advisory Services

Cornerstone provides financial planning through consultations to clients.

On more than an occasional basis, Cornerstone furnishes advice to clients on matters not involving securities, such as taxation issues and trust services that often include estate planning.

FINANCIAL PLANNING AND CONSULTING

If financial planning services are applicable Cornerstone charges fixed fee for its services. Financial plans will be completed and delivered inside of ninety (90) days. Clients may terminate advisory services with thirty (30) days written notice.

Services include but are not limited to a thorough review of all applicable topics including Income Planning, Estate Plan/Trusts, Investments, Taxes, and Insurance.

THIRD PARTY MONEY MANAGER REFERRALS

Cornerstone solicits the services of Third Party Money Managers to manage client accounts for clients. In such circumstances, Cornerstone receives a portion of the management fees received by the Third Party Manager. These fees do not include brokerage fees that may be assessed by the custodial broker dealer. Fees for these

services are based on a percentage of assets under management not to exceed any limit imposed by any regulatory agency. The final fee schedule is attached to Exhibit C in Cornerstone 's Investment Advisory Agreement.

This solicitor relationship is disclosed to the client in the contract the client signed with Cornerstone and the Third Party Money Manager. Cornerstone does not charge additional management fees for Third Party managed account services. Client's signature is required to confirm consent for services within Third Party Investment Agreement. Client initials Cornerstone's Investment Advisory Agreement to acknowledge receipt of Third Party fee Schedule and required documents including ADV2 disclosures.

Cornerstone may terminate any of the aforementioned agreements at any time by notifying the client in writing. If the client made an advance payment, Cornerstone will refund any unearned portion of the advance payment.

C. Client Tailored Services and Client Imposed Restrictions

The goals and objectives for each client are documented in our client files. Investment strategies are created that reflect the stated goals and objective. Clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without written client consent.

D. Wrap Fee Programs

Cornerstone does not participate in wrap fee programs.

E. Client Assets under Management

Cornerstone does not manage clients' money, but refers clients to third party money managers and receives solicitor fees for such referrals.

Item 5: Fees and Compensation

A. Method of Compensation and Fee Schedule

Cornerstone charges a fixed fee for its financial planning services. The firm does receive a portion of the management fees paid to the third party money managers.

FINANCIAL PLANNING AND CONSULTING FEES

Financial Planning Services are offered based on a negotiable fixed fee with a range of \$2,000 - \$10,000 based on the complexity and unique client needs. Services include but are not limited to a thorough review of all applicable topics including Taxes, Income Planning, Estate Plan/Trusts, Investments, and Insurance. The fee is due at the time the client enters into an agreement with Cornerstone. Client may cancel within five (5) days of signing Agreement for a full refund. If the client cancels after five (5) days, Cornerstone will refund any unearned fees.

SOLICITOR FEES

Cornerstone has entered into Solicitor Agreements with Third Party Money Managers. All Third Party Money Managers will be Registered Investment Advisors. The firms provides investment portfolio advice and supervisory services.

The relationship between Cornerstone and the Third Party Money Manager will be disclosed to the client in writing prior to commencement of the services. Cornerstone does not charge additional management fees for Third Party managed account services. Client's signature is required to confirm consent for services within Third Party Investment Agreement. Client will initial Cornerstone's Investment Advisory Agreement to acknowledge receipt of Third Party Money Manager's Fee Schedule and required documents including the Form ADV Part 2 Brochure.

B. Client Payment of Fees

The financial planning fee is due at the time the client enters into an agreement with Cornerstone.

Clients will be billed through the custodians utilized by the Third Party Money Managers in accordance with their fee schedule which will be given to the clients.

C. Additional Client Fees Charged

Custodians may charge transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Cornerstone, in its sole discretion, may waive its fee and/or charge a lesser fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

D. Prepayment of Client Fees

Financial Plans are billed 100% in advance. Client may cancel within five (5) business days of signing the Investment Advisory Agreement for a full refund. If cancellation occurs after five business days, client will be entitled to a pro-rata refund based on work completed.

E. External Compensation for the Sale of Securities to Clients

Cornerstone does not receive any external compensation for the sale of securities to clients, nor do any of the investment advisor representatives of Cornerstone.

Item 6: Performance-Based Fees

A. Sharing of Capital Gains

Fees are not based on a share of the capital gains or capital appreciation of managed accounts.

Cornerstone does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Item 7: Types of Clients

A. Description

Cornerstone generally provides investment advice to individuals, high net worth individuals, doctors, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

Client relationships vary in scope and length of service.

B. Account Minimums

While Cornerstone does not require a minimum to open an account, some Third Party Money Managers utilized by Cornerstone may have minimums to open accounts on their platform.

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

A. Methods of Analysis and Investment Strategies

When security analysis is provided to clients it is provided through Third Party Money Manager and may include fundamental analysis, technical analysis, and cyclical analysis. Investing in securities involves risk of loss that clients should be prepared to bear.

The main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission.

B. Investment Strategy and Method of Analysis Material Risks

The investment strategy for a specific client is based upon the objectives stated by the client during consultations. The client may change these objectives at any time. Each client executes an Investment Policy Statement, Risk Tolerance or similar form that documents their objectives and their desired investment strategy.

Other strategies may include long-term purchases, short-term purchases, trading, and option writing (including covered options, uncovered options or spreading strategies).

C. Security Specific Material Risks

All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- *Interest-rate Risk:* Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- *Market Risk:* The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying

circumstances. For example, political, economic and social conditions may trigger market events.

- *Inflation Risk:* When any type of inflation is present, a dollar today will buy more than a dollar next year, because purchasing power is eroding at the rate of inflation.
- *Currency Risk:* Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.
- *Reinvestment Risk:* This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- *Business Risk:* These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- *Liquidity Risk:* Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- *Financial Risk:* Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Item 9: Disciplinary Information

A. Criminal or Civil Actions

The firm and its management have not been involved in any criminal or civil action.

B. Administrative Enforcement Proceedings

The firm and its management have not been involved in administrative enforcement proceedings.

C. Self Regulatory Organization Enforcement Proceedings

The firm and its management have not been involved in legal or disciplinary events related to past or present investment clients.

Item 10: Other Financial Industry Activities and Affiliations

A. Broker-Dealer or Representative Registration

President Christopher Abts is not a registered representative of a broker-dealer.

B. Futures or Commodity Registration

Cornerstone nor its employees are registered or have an application pending to register as a futures commission merchant, commodity pool operator, or a commodity trading advisor.

C. Material Relationships Maintained by this Advisory Business and Conflicts of Interest

President Christopher Abts has a financial industry affiliated business as a licensed insurance agent. From time to time, he will offer clients advice or products from these activities. More than 50% of his revenue results from commissions from the sale of insurance products.

These practices represent potential conflicts of interest because it gives Christopher Abts an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

D. Recommendations or Selections of Other Investment Advisors and Conflicts of Interest

Cornerstone may at times utilize the services of Third Party Money Managers to manage client accounts. In such circumstances, Cornerstone will share in the Third Party asset management fee. These fees do not include brokerage fees that may be assessed by the custodial broker dealer. Fees for these services will be based on a percentage of assets under management not to exceed any limit imposed by any regulatory agency. The final fee schedule will be attached to Exhibit D in Cornerstone's Investment Advisory Agreement.

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

A. Code of Ethics Description

The employees of Cornerstone have committed to a Code of Ethics. The purpose of our Code of Ethics is to ensure that when employees buy or sell securities for their personal account, they do not create actual or potential conflict with our clients. We do not allow any employees to use non-public material information for their personal profit or to use internal research for their personal benefit in conflict with the benefit to our clients.

The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

B. Investment Recommendations Involving a Material Financial Interest and Conflict of Interest

Cornerstone and its employees do not recommend to clients securities in which we have a material financial interest.

C. Advisory Firm Purchase of Same Securities Recommended to Clients and Conflicts of Interest

Cornerstone and its employees may buy or sell securities that are also held by clients. In order to avoid potential conflicts of interest such as front running, employees are required to disclose all reportable securities transactions as well as provide Cornerstone with copies of their brokerage statements.

The Chief Compliance Officer of Cornerstone is Christopher Abts. He reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of employees does not affect the markets and that clients of the firm receive preferential treatment. Since most employee trades are in products such as mutual funds, government securities, bonds or are small in size, they do not impact the securities markets. Employees comply with the provisions of the Cornerstone *Compliance Manual*.

D. Client Securities Recommendations or Trades and Concurrent Advisory Firm Securities Transactions and Conflicts of Interest

Cornerstone does not maintain a firm proprietary trading account and does not have a material financial interest in any securities being recommended and therefore no conflicts of interest exist.

Item 12: Brokerage Practices

A. Factors Used to Select Broker-Dealers for Client Transactions

Cornerstone does not have any affiliation with product sales firms and does not recommend brokers. Brokers will be recommended by the third party money manager being used.

- *Directed Brokerage*
Cornerstone utilized Third Party Money Managers and therefore it does not take direction from clients as to what broker-dealer to use.
- *Best Execution*
Investment advisors who manage or supervise client portfolios on a discretionary basis have a fiduciary obligation of best execution. Cornerstone does not have discretionary authority or manage client assets and therefore best execution is not applicable.
- *Soft Dollar Arrangements*
Cornerstone does not maintain any soft dollar arrangements.

B. Aggregating Securities Transactions for Client Accounts

Cornerstone does not trade for its or its clients accounts and therefore aggregation of securities transactions is not applicable.

Item 13: Review of Accounts

A. Schedule for Periodic Review of Client Accounts or Financial Plans and Advisory Persons Involved

Account reviews are performed quarterly by Christopher Abts, Chief Compliance Officer. Account reviews are performed more frequently when market conditions dictate. Financial Plans are considered complete when recommendations are delivered to the client and a review is done only upon request of client.

B. Review of Client Accounts on Non-Periodic Basis

Other conditions that may trigger a review of clients accounts are changes in the tax laws, new investment information, and changes in a client's own situation.

C. Content of Client Provided Reports and Frequency

Clients receive account statements no less than quarterly for managed accounts. Account reports are issued by the Third Party Money Manager's custodian. Client receives confirmations of each transaction in account from Custodian and an additional statement during any month in which a transaction occurs.

Item 14: Client Referrals and Other Compensation

A. Economic benefits Provided to the Advisory Firm from External Sources and Conflicts of Interest

Cornerstone receives a portion of the management fees from third party money managers for the referral of clients.

B. Advisory Firm Payments for Client Referrals

Cornerstone does not compensate for client referrals.

Item 15: Custody

A. Account Statements

All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly. Clients are urged to compare the account statements received directly from their custodians to the performance report statements prepared by the Third Party Money Managers.

Item 16: Investment Discretion

A. Discretionary Authority for Trading

Cornerstone does not accept discretionary authority to manage securities accounts on behalf of clients.

Item 17: Voting Client Securities

A. Proxy Votes

Cornerstone does not vote proxies on securities. Clients are expected to vote their own proxies. The client will receive their proxies directly from the custodian of their account or from a transfer agent.

When assistance on voting proxies is requested, Cornerstone will provide recommendations to the client. If a conflict of interest exists, it will be disclosed to the client.

Item 18: Financial Information

A. Balance Sheet

A balance sheet is not required to be provided because Cornerstone does not serve as a custodian for client funds or securities and Cornerstone does not require prepayment of fees of more than \$500 per client and six months or more in advance.

B. Financial Conditions Reasonably Likely to Impair Advisory Firm's Ability to Meet Commitments to Clients

Cornerstone has no condition that is reasonably likely to impair our ability to meet contractual commitments to our clients.

C. Bankruptcy Petitions during the Past Ten Years

Neither Cornerstone nor its management has had any bankruptcy petitions in the last ten years.

Item 19: Requirement for State Registered Advisors

Education and business background, including any outside business activities for all management and supervised persons can be found in the Supplement to this Brochure (part 2B of Form Adv Part 2).

Supervised Person Brochure (Part 2B of Form ADV)

Christopher Abts

Cornerstone Retirement Services, Inc.
689 Sierra Rose Drive, Suite A-2
Reno, NV 89511
PHONE: 775-853-9033
FAX: 775-853-9088
EMAIL: info@cornerstoneretirement.com

This brochure supplement provides information about Christopher Abts that supplements the Cornerstone Retirement Services, Inc.'s brochure. You should have received a copy of that brochure. Please contact Christopher Abts if you did not receive Cornerstone Retirement Services, Inc.'s brochure or if you have any questions about the contents of this supplement.

Additional information about Christopher Abts is available on the SEC's website at www.adviserinfo.sec.gov.

June 3, 2011

Principal Executive Officers and Management Persons

A. Educational Background and Business Experience

Christopher K. Abts

Educational Background:

- Date of birth: 1969
- University and industry specific courses

Business Experience:

- Cornerstone Retirement Services, Inc.; President/Investment Adviser Representative; 5/2011 to Present
- Cornerstone Retirement Group; President/Insurance; 01/2004 to Present
- Global Financial Private Capital; Investment Adviser Representative; 05/2011 - Present
- Horter Investment Management, LLC; Investment Adviser Representative; 08/2010 to 05/2011
- Brookstone Capital Management; Investment Adviser Representative; 11/2006 to 08/2010
- Abts Financial Services; President; 01/2002 to 01/2004
- The Estate Plan; President/Estate Planning; 01/1996 to 01/2002

B. Disciplinary Information

Mr. Abts does not have any material legal or disciplinary events to disclose.

C. Other Business Activities

Christopher Abts has a financial industry affiliated business as an insurance agent. From time to time, he offers clients advice or products from these activities. Clients are not required to purchase any products.

D. Additional Compensation

Mr. Abts receives a portion of the management fees received by the Third Party Money Managers for referring clients. He also receives commissions from insurance companies for the sale of their insurance products. He does not receive any performance based fees.

These practices represent potential conflicts of interest because it gives Mr. Abts an incentive to recommend products based on the commission amount received. This conflict is mitigated by the fact that clients are not required to purchase any products. Clients have the option to purchase these products through another insurance agent of their choosing.

E. Supervision

Since Mr. Abts is the sole owner and investment adviser representative of Cornerstone Retirement Services, Inc. and therefore he is solely responsible for all supervision and formulation and monitoring of investment advice offered to clients.

F. Requirements for State-Registered Advisors

Arbitration Claims: None

Self-Regulatory Organization or Administrative Proceeding: None

Bankruptcy Petition: None