

# D C VOSS & COMPANY, LLC

## Form ADV Part 2A Investment Advisor Brochure March 10, 2011

### *Cover Page*

Name of Registered Investment Advisor	D C VOSS & COMPANY, LLC
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Date of Last Revision	March 15, 2010

This Form ADV Part 2A (Investment Advisor Brochure) provides information about the qualifications and business practices of D C VOSS & COMPANY, LLC. If you have any questions about the contents of this brochure, please contact us using one of the methods listed above. 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. Registration is mandatory for all persons meeting the definition of investment advisor and does not imply a certain level of skill or training.

Additional information about our firm is available on the SEC's website at: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### ***Material Changes***

This annual update contains no material changes from our March 15, 2010 ADV Brochure.

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## ***Advisory Business***

### **Advisory Firm**

D C Voss & Company has provided investment advisory services since 2003. David Voss is the founder and President and has been in the financial services industry since 1990.

### **Advisory Services**

D C Voss & Company provides financial counseling and investment supervisory services to individuals, trusts and foundations. We also provide group financial planning programs for corporations and other organizations.

As of December 31, 2010, we have \$72,700,000 of assets under supervision. This consists of \$71,100,000 that we manage in non-discretionary accounts and \$1,600,000 that is managed on a discretionary basis in Dividend Growth Strategy accounts. We also supervise \$20,600,000 of assets in separately managed accounts. These accounts are managed by third party investment managers for our clients on a discretionary basis.

Most of our accounts are non-discretionary. This means that we obtain client approval before buying or selling securities in the account. Non-discretionary accounts may hold, but are not limited to, the following types of securities: mutual funds, exchange-traded funds (ETFs), common and preferred stocks, corporate and municipal bonds and certificates of deposit.

Our Dividend Growth Strategy accounts invest in stocks of companies that have a history of increasing their dividends. These accounts can also hold stocks of companies that we believe will increase their dividend in the near future. Dividend Growth is a discretionary investment strategy which means that clients authorize us to buy and sell stocks without discussing the purchase or sale in advance.

Financial counseling and investment supervisory services are based on the needs of the client. Discussions with the client and completion of a questionnaire are normally used to identify the clients' goals, risk tolerance and overall financial situation. With the exception of the Dividend Growth Strategy, investment purchases and sales are reviewed with the client in advance. We notify clients quarterly to contact us if there have been any changes in their financial situation or investment objectives. It is the client's responsibility to notify us any time there are changes.

Financial counseling services may include income tax planning, estate planning, retirement planning, cash flow planning, college education planning and insurance planning. As part of these services, or as a stand-alone service, we may recommend an asset allocation strategy and specific securities. Assistance with these topics is included in our fee for investment supervision. If we do not have an investment supervisory relationship with the client, the fee for these services will be billed on a fixed fee basis that will depend on the complexity of the situation and the services to be provided.

Clients may call any time during normal business hours to discuss their accounts, financial situation or investment needs. Clients receive confirmations and statements containing a description of all securities owned and all activity in their accounts directly from the custodian/brokerage firm.

We conduct group financial planning programs for employees of corporations. The fee for these programs is paid by the employer. Group financial planning programs usually include a seminar that addresses financial planning topics such as asset allocation, planning for retirement, estate planning, college education funding and effective use of employer-sponsored benefit plans. In conjunction with the seminar, or as stand-alone services, we may also prepare a retirement projection and meet with employees individually to review their financial goals and strategies. Fees for group financial planning programs depend on the on the number of seminars to be conducted, the length of the seminars and the nature of any additional services that are offered to employees.

### ***Fees and Compensation***

Our standard fee arrangement for investment supervisory services is a percentage of the assets under management. In some situations, however, a fixed fee may be agreed upon with the client. We charge a minimum quarterly fee of \$1,000.

Fees are billed a quarter in advance. For example, the fee for the quarter ending September 30 is based on assets under supervision as of June 30 and one fourth of the calculated annual fee will be billed on or around July 1. The fee for the quarter in which services begin is prorated based on the number of days from the date of the investment advisory contract to the end of the quarter. Fees are not collected for services to be performed more than three months in advance.

Our investment supervisory services fee schedule is as follows:

<b>Assets Supervised</b>	<b>Annual Fee</b>
First \$500,000	0.80%
Next \$500,000	0.60%
Next \$2,000,000	0.50%
Next \$2,000,000	0.35%
Next \$5,000,000	0.20%
Thereafter	0.15%

The fee for Dividend Growth Strategy accounts is covered by the schedule above. Accordingly, there is no additional fee for this investment strategy. The fee schedule and our minimum quarterly fee may be negotiable in some situations.

Clients can terminate an investment advisory contract by providing us with written notice. In these situations, prorated fees from the termination date to the last day of the quarter will be refunded. Fees charged by mutual funds, exchange-traded funds and separate account managers are in addition to the fees charged by D C Voss & Company. Clients may also incur transaction fees or commissions payable to brokerage firms to buy and sell securities.

We provide our clients with a quarterly fee statement. Clients authorize the custodian who is holding their funds and securities (in most cases Charles Schwab & Co., Inc.) to deduct the fee from their accounts in accordance with instructions we prepare and submit to the custodian. Any other fee payment arrangement must be approved by us. The custodian provides the client with periodic account statements that reflect all fee payments to D C Voss & Company. It is the client's responsibility to verify the accuracy of the fee calculation. The custodian will not determine whether the fee is properly calculated.

In certain situations, and at our sole discretion, we may provide our investment supervisory services clients with income tax projections, estate planning assistance, cash flow analyses and other financial planning services for no additional fee. Our fee for financial counseling services for clients who are not an investment supervisory services client is billed on a fixed fee basis that depends on the services provided and the complexity of the situation.

D C Voss & Company and the client enter a Financial Advisory Services Agreement prior to us providing services. The client may terminate the Agreement without penalty and receive a full refund within five business days of signature. After the first five days, for investment supervisory services, services will continue until either party terminates the Agreement by written notice.

### ***Performance-Based Fees And Side-By-Side Management***

We do not charge performance-based fees which are based on capital gains or capital appreciation of the assets in the client account.

### ***Types of Clients***

D C Voss & Company provides investment supervisory services and financial counseling services to individuals, trusts, estates, charitable and religious organizations, corporations and other business entities. The majority of our clients are individuals who have a net worth in excess of \$1 million and/or annual income in excess of \$250,000.

While we do not have a minimum account size, we do have a minimum quarterly fee of \$1,000. If a client has less than \$500,000 under supervision, this minimum will result in a percentage fee that is greater than the 0.80% annual fee shown on the standard fee schedule.

Our group financial planning programs are provided to employees of corporations usually as an employee benefit.

### ***Methods of Analysis, Investment Strategies, and Risk of Loss***

D C Voss & Company uses asset allocation strategies for portfolio management. We primarily utilize mutual funds and exchange-traded funds to invest client accounts. To a lesser extent, we utilize individual fixed income securities such as certificates of deposit, corporate bonds and preferred stocks. We utilize services such as Morningstar to evaluate mutual funds and exchange-traded funds. Fundamental analysis is used to evaluate stocks for Dividend Growth Strategy accounts.

By its nature, financial planning looks to the long-term. After the client's short-term cash needs and emergency fund is evaluated, investment strategies are designed to help the client achieve his or her financial goals.

While there is risk in all investments, some carry a greater degree of risk and/or higher costs. There is no guarantee that the investment strategy selected for the client will result in the client's goals being met, nor is there any guarantee of profit or protection from loss. For those investments sold by prospectus, clients should read the prospectus in full.

The risks identified below are those that we believe could affect the performance of our clients' accounts.

- Stocks and mutual funds and exchange-traded funds that invest in stocks are subject to market risk which means their value increases and decreases with overall changes in the stock market. We generally do not attempt to sell these investments in advance of or during market declines.
- Stocks are subject to business risk which means that they may underperform other stocks due to their business model, management decisions, product obsolescence, technological changes, weather conditions, geopolitical issues, etc. We attempt to minimize this risk by diversifying client portfolios.
- Fixed income securities are subject to interest rate risk which means that their value will likely decline when interest rates rise. They are also subject to credit risk which means the issuer could default on principal and/or interest payments.
- High yield securities are corporate or municipal debt securities rated below investment grade. These securities have a higher likelihood of default than investment grade debt.

### ***Disciplinary Information***

An investment advisor must disclose material facts about any legal or disciplinary event that is material to a client's evaluation of the advisory business or the integrity of its management personnel. D C Voss & Company does not have any disclosure items.

### ***Other Financial Industry Activities and Affiliations***

Affiliations and activities with other financial services industry firms have the potential to create conflicts of interest. D C Voss & Company and our representatives are not involved in any activities nor do we have any affiliations with other firms in the financial services industry.

### ***Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading***

#### **Code of Ethics**

D C Voss & Company maintains a Code of Ethics. The Code of Ethics sets forth standards of conduct expected of advisory personnel, requires compliance with federal securities laws and addresses conflicts that arise from personal trading by advisory personnel. Clients may request a copy of the Code of Ethics.

### *Participation or Interest in Client Transactions*

We do not act as a general partner in any partnerships and we are not the investment advisor to a mutual fund. Accordingly, we do not have a material financial interest in any securities that are recommended to clients. We do not act as principal in securities transactions with clients. Acting as principal in a transaction with a client means that the client is buying the security from or selling the security to the advisor. This could present a conflict of interest since the advisor would want to buy securities at the lowest possible price and sell them to clients at the highest possible price.

### *Personal Trading*

Representatives of D C Voss & Company may invest in the same securities (mutual funds, exchange-traded funds, stocks, bonds, etc.) as our clients. Whenever this occurs we will try to avoid conflicts with clients. The firm and its representatives will generally be “last in” and “last out” for the trading day when trading occurs in close proximity to client trades. Scalping (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the client at the time of trading. Incidental trading not deemed to be a conflict (i.e. a purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price) would not be disclosed at the time of trading.

### ***Brokerage Practices***

#### *Selection or recommendation of broker/dealers*

D C Voss & Company recommends that investment supervisory clients establish brokerage accounts with the Institutional division of Charles Schwab & Co., Inc. (Charles Schwab), a registered broker-dealer, member SIPC, to maintain custody of their assets and to effect trades for their accounts. D C Voss & Company is independently owned and operated and is not affiliated with Charles Schwab. We do not receive any fees or commissions from Charles Schwab. We recommend Charles Schwab because its fees and commissions are competitive, its trade execution is fast and accurate, its client website is user friendly and its account statements are easy to read. Charles Schwab also provides access to a wide range of mutual funds and fixed income securities.

Charles Schwab provides us with access to its institutional trading and custody services, which are typically not available to their retail investors. These services generally are available to independent investment advisors at no charge so long as a total of at least \$10 million of the advisor’s clients’ assets are maintained in accounts at Charles Schwab. These services are not contingent upon D C Voss & Company committing to Charles Schwab any specific amount of custody or trading business. Charles Schwab generally does not charge clients’ accounts separately for custody but is compensated by account holders through commissions or transaction-related fees for securities trades.



### Soft Dollar Practices

Charles Schwab's services include research, brokerage, custody, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Charles Schwab makes available other products and services that benefit us but may only indirectly benefit our clients' accounts. These products and services typically assist us in managing and administering clients' accounts. These include software and other technologies that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from client accounts, and assist with back-office support, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of D C Voss & Company accounts, including accounts not maintained at Charles Schwab. Charles Schwab may also provide us with other services intended to help us manage and further develop our business. These services may include consulting, publications and presentations on practice management, information technology, business succession, regulatory compliance and marketing.

### Directed Brokerage

Client may direct brokerage to a specified broker/dealer other than Charles Schwab. It is up to the client to negotiate the commission rate. The client may not be able to negotiate the most competitive rate. As a result, the client may pay more than the rate available through Charles Schwab.

### Trade Aggregation

We generally do not aggregate trade orders.

### ***Review of Accounts***

We normally review the accounts of our investment supervisory clients at least monthly. These reviews are performed by the President of D C Voss & Company. Clients receive account statements at least quarterly from Charles Schwab and other custodians. We periodically update client financial plans as their financial situation changes or as market conditions dictate. We do not have a set schedule for these updates. We provide an annual Investment Performance Summary for clients who request one.

### ***Client Referrals & Other Compensation***

#### Referral Fees Paid

We do not pay for referrals.

#### Referral Fees Received

We do not receive fees for referrals to other firms.

### *Sales Awards*

We do not accept sales awards from broker/dealers or other firms.

### ***Custody***

D C Voss & Company is deemed to have custody of client funds solely because of the fee deduction authority granted by the client in the investment advisory agreement. Clients can authorize us to instruct Charles Schwab to transfer funds to other specified accounts. This may be done to facilitate annual IRA contributions, gifts to children and grandchildren, etc. We will only instruct Charles Schwab to transfer funds when the client has provided us with specific instructions to do so.

Clients receive account statements at least quarterly from the broker-dealer or other qualified custodian. D C Voss & Company does not prepare separate account statements.

### ***Investment Discretion***

D C Voss & Company maintains full discretion under a limited power of attorney as to the securities and amount of securities for Dividend Growth Strategy accounts. For all other accounts, we do not have discretion. A limited power of attorney, limited to the power of executing trades on a non-discretionary basis, will be obtained from clients.

### ***Voting Client Securities***

With the exception of stocks held in Dividend Growth Strategy accounts, D C Voss & Company does not vote proxies. It is the client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian.

We have authority to vote proxies for stocks held in Dividend Growth Strategy accounts unless the client notifies us that they wish to vote proxies themselves. Clients may contact us at the phone number or address listed on the first page of this document to obtain information on how we voted on their behalf. It is our policy to vote proxies in the best economic interest of the client. While it is unlikely that we will have a material conflict when voting client proxies, a conflict could arise from time to time. The ways potential conflicts may be resolved include, but are not limited to, documenting that votes were cast in the interest of the client, informing the client to obtain objective third party advice and obtaining client's informed consent to vote a proxy in a specific manner. When seeking a client's consent, we will provide the client with sufficient information regarding the matter and the nature of the conflict to enable the client to make an informed decision. There may be times when refraining from voting a proxy is in the client's best interest, such as when the cost of voting exceeds the expected benefit to the client. Clients may request a complete copy of our proxy voting policy.

## ***Financial Information***

An investment advisor must disclose financial information if a threshold of fee prepayments is met, if there is a financial condition that is likely to impair the ability to meet contractual commitments or, if there has been a bankruptcy within the past ten years. D C Voss & Company does not have any disclosure items.

## ***Requirements for State Registered Advisors***

### **Principal Executive Officer**

David C. Voss  
President

Mr. Voss graduated from the University of Cincinnati in 1980 with a Bachelors Degree in Business Administration. He majored in Accounting. He is a member of the American Institute of Certified Public Accountants. Prior to starting D C Voss & Company in 2002, Mr. Voss was a Partner in the Personal Financial Counseling practice of Ernst & Young. Prior to that Mr. Voss was a Senior Manager in the Personal Financial Planning/Tax practice of Price Waterhouse.