

**Deane Retirement Strategies, Inc.**  
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**Deane Retirement Strategies, Inc.**  
**Wrap Fee Program Brochure**  
**Dated 3/22/2011**

Contact: Linda Deane, Chief Compliance Officer  
1100 Poydras Street, Suite 2065  
New Orleans, Louisiana 70163  
Website: [www.deaneretire.com](http://www.deaneretire.com)

**This brochure provides information about the qualifications and business practices of Deane Retirement Strategies, Inc. (the “Registrant”). If you have any questions about the contents of this brochure, please contact us at (504) 582-2345 or [ldeane@deaneretire.com](mailto:ldeane@deaneretire.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Deane Retirement Strategies, Inc. also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2            Material Changes**

**Not Applicable**

**Item 3            Table of Contents**

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## Item 4            Services, Fees and Compensation

### A.    INVESTMENT ADVISORY SERVICES

The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a wrap or non-wrap *fee* basis. (*See* discussion below), and to the extent specifically requested by a client, financial planning and/or related consulting services. If a client determines to engage the Registrant on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, trade execution, custody). The services included in a wrap fee agreement will depend upon each client's particular need.

Registrant's annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of the Registrant), the Registrant may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

### DEANE RETIREMENT STRATEGIES, INC. WRAP PROGRAM

The Registrant provides investment management services on a wrap fee basis in accordance with the Registrant's investment management wrap fee program (the "Program"). The services offered under, and the corresponding terms and conditions pertaining to, the Program are discussed in the Wrap Fee Program Brochure a copy of which is presented to all prospective Program participants. Under the Program, the Registrant is able to offer participants discretionary investment management services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. The current annual Program fee ranges from negotiable to 2.30% of the Program assets under management depending upon the amount and type of the Program assets that will be invested (i.e. equity blend, balanced blend, equity income, mixed assets, and fixed income (*See* disclosure below).

Descriptions of the Equity Blend, Balanced Blend, Equity Income, Mixed Assets, Fixed Income, wrap advisory accounts are as follows:

**Equity Blend:** Equity Blend portfolios seek to grow assets while minimizing portfolio volatility. Each portfolio is composed of 100% equity. Positions are typically held for the long term to minimize portfolio turnover and improve tax efficiency. Turnover will occur in the portfolio only when the conditions that justified the initial purchase deteriorate, the market price significantly exceeds the intrinsic value of the company, or when the portfolio can be materially upgraded by trading one holding for another. The account generally consists of 20-25 stocks of primarily large capitalization companies. Investments are selected after an examination of the companies' competitive position, financial statements, long-term economic trends relevant to the company, and the relationship of the current price to intrinsic value of the company. We strive to buy stocks of outstanding companies at the best possible prices to maximize returns (**See** Investment Performance disclosure below). Investment in dividend

paying companies is preferred, but we will invest in non-dividend paying companies when appropriate. The intended holding period for each investment is 2-4 years. Mid-capitalization companies will be included to supplement growth opportunities in the large cap portion of the portfolio. These opportunities will be restricted to a maximum of 15-20% of the portfolio to preserve the large cap bias in the portfolio.

**Balanced Blend:** Balanced Blend portfolios seek to grow assets while minimizing portfolio volatility. Each portfolio is generally divided between equity (60%) and fixed income (40%). The exact ratio will vary based on market opportunities. Positions are typically held for the long term to minimize portfolio turnover and improve tax efficiency. The Equity portion of the account generally consists of 20-25 stocks of primarily large capitalization companies. Investments are selected after an examination of the companies' competitive position, financial statements, long-term economic trends relevant to the company, and the relationship of the current price to intrinsic value of the company. We strive to buy stocks of outstanding companies at the best possible prices to maximize returns (See Investment Performance disclosure below). Investment in dividend paying companies is preferred, but we will invest in non-dividend paying companies when appropriate. The general intended holding period for each investment is 2-4 years. Mid-capitalization companies will be included to supplement growth opportunities in the large cap portion of the portfolio. These opportunities will be restricted to a maximum of 15-20% of the portfolio to preserve the large cap bias in the portfolio. The fixed income allocation portion of the account will be generally divided between U.S. Treasury securities and investment grade corporate bonds. The exact ratio between the two and across maturities will fluctuate based on market opportunities and economic trends.

**Equity-Income:** The goal of an Equity Income managed portfolio is to provide steady income while minimizing the fluctuation in the portfolio value. To accomplish this, generally 70% of the account is allocated to fixed income investments and the remaining 30% is allocated to large capitalization domestic stocks across a wide range of industries. The exact ratio will vary based on market opportunities. Positions are typically held for the long term to minimize portfolio turnover and improve tax efficiency. The fixed income allocation is divided amongst U.S. Treasury securities, AAA-rated mortgage bonds, investment grade corporate bonds, and investment grade preferred stocks. These securities may be bought individually or by utilizing unit trusts, closed-end funds, or exchange traded funds as appropriate. The portfolio allocation between each security type will be determined by our assessment of the prevailing economic fundamentals and market conditions. This allocation will change over time to take advantage of market opportunities. As for the equity component of the portfolio, each position must be a stable large capitalization company currently paying a dividend. Companies are judged not only on the level of the current dividend, but also on their ability to grow that dividend over time. We believe the best investments with this ability are in companies that possess a sustainable competitive advantage, avoid excessive indebtedness, and that employ a high quality management team committed to outstanding shareholder returns. We strive to purchase the stocks of these companies at significant discounts to their intrinsic values. (See Investment Performance disclosure below).

**Mixed Assets:** The goal of a Mixed Asset portfolio is to combine steady income from interest and dividends with a diversified equity portfolio to provide dependable cash flow for the client and a hedge against future inflation. To accomplish this, 40%-60% of the account is typically allocated to large capitalization stocks across a wide range of industries and style disciplines (both growth & value stocks are represented). International stocks will also be included for further diversification. Accounts under approximately \$10,000 may not have an international component. The remaining account balance is allocated to investment grade fixed income investments. The exact ratio of equity investments to fixed income investments will vary according to market conditions. Positions are typically held for the long term to minimize portfolio turnover and improve tax efficiency. The fixed income allocation is divided amongst U.S. Treasury securities, AAA rated mortgage bonds, investment grade corporate bonds, and investment grade preferred stocks. Both equity and fixed income securities may be bought individually or by utilizing unit trusts, closed end funds, or exchange traded funds as appropriate. Style based index funds will be used to provide further diversified exposure to growth and value stocks. The international component will be run by a third party mutual fund manager or exchange traded fund that is evaluated and selected by the portfolio manager. The portfolio allocation between each security type will be determined by our assessment of the prevailing economic fundamentals and market conditions. This allocation will change over time to take advantage of market opportunities. As for the equity portion, larger accounts of greater than approximately \$300,000 will contain individual stocks and equity based ETFs. Accounts of lesser size will contain only equity ETFs for stock exposure. Each individual stock position in the portfolio must be a stable large capitalization company currently paying a dividend. Companies are judged not only on the level of the current dividend but also on their ability to grow that dividend over time. We believe the best investments with this ability are in companies that possess a sustainable competitive advantage, avoid excessive indebtedness, and that employ a high quality management team committed to outstanding shareholder returns. We strive to purchase the stocks of these companies at significant discounts to their intrinsic value. (**See** Investment Performance disclosure below).

**Fixed Income:** Fixed Income portfolios are managed to generate maximum income while prudently sheltering capital from market turbulence and minimizing the risk of permanent loss. Individual bond positions will usually be held to maturity to minimize portfolio turnover and transaction costs. One hundred percent of the portfolio will be allocated to fixed income investments with an average portfolio maturity of two to seven years. Eligible investments include U.S. Government Treasury and Agency securities, AAA-rated mortgage backed securities, investment grade bonds, and investment grade preferred stocks. These securities may also be purchased in baskets through exchange traded funds to improve portfolio liquidity, positioning or diversification. One half of the portfolio will be allocated to U.S. Government Treasury and Agency securities. The other half may be composed of any of the security types listed above. The exact allocation between them will be determined by our assessment of the prevailing economic fundamentals and market conditions. The allocation of the portfolio will change over time to take advantage of investment opportunities as they appear. (**See** Investment Performance disclosure below).

Advisory fees for wrap programs shall generally be charged as follows, based upon a percentage of assets placed under the Registrant's management (between negotiable and 2.30%) as follows:

**Aggregated  
DRS & 3<sup>rd</sup> Party  
Discretionary Wrap  
Equity and Balanced  
Managed Accounts**

| Account Value | Fees   |
|---------------|--------|
| \$100,000     | 2.30 % |
| 300,000       | 2.20   |
| 500,000       | 2.10   |
| 700,000       | 2.00   |
| 1,000,000     | 1.90   |
| 1,500,000     | 1.85   |
| 2,000,000     | 1.80   |
| 3,000,000     | 1.70   |
| 4,000,000     | 1.60   |
| 5,000,000     | 1.50   |
| 7,000,000     | 1.40 % |
| \$10,000,000  | quoted |

**Aggregated DRS  
Discretionary Wrap  
Equity-Income  
Managed Accounts**

| Account Value | Fees   |
|---------------|--------|
| \$100,000     | 1.80 % |
| 300,000       | 1.70   |
| 500,000       | 1.60   |
| 700,000       | 1.50   |
| 1,000,000     | 1.40   |
| 1,500,000     | 1.35   |
| 2,000,000     | 1.30   |
| 3,000,000     | 1.20   |
| 4,000,000     | 1.10   |
| 5,000,000     | 1.00   |
| 7,000,000     | 1.00 % |
| \$10,000,000  | quoted |

**Aggregated  
DRS & 3<sup>rd</sup> Party  
Discretionary Wrap  
Fixed Income  
Managed Accounts**

| Account Value | Fees   |
|---------------|--------|
| \$100,000     | 1.25 % |
| 300,000       | 1.25   |
| 500,000       | 1.15   |
| 700,000       | 1.08   |
| 1,000,000     | 0.98   |
| 1,500,000     | 0.94   |
| 2,000,000     | 0.84   |
| 3,000,000     | 0.79   |
| 4,000,000     | 0.77   |
| 5,000,000     | 0.73   |
| 7,000,000     | 0.71 % |
| \$10,000,000  | Quoted |

**Aggregated DRS  
Discretionary Wrap  
Mixed Assets  
Managed Accounts**

|                 |        |
|-----------------|--------|
|                 |        |
| Under \$100,000 | 1.90 % |
| \$100,000       | 1.80   |
| 300,000         | 1.70   |
| 500,000         | 1.60   |
| 700,000         | 1.50   |
| 1,000,000       | 1.40   |
| 1,500,000       | 1.35   |
| 2,000,000       | 1.30   |
| 3,000,000       | 1.20   |
| 4,000,000       | 1.10   |
| 5,000,000       | 1.00   |
| 7,000,000       | 1.00 % |
| \$10,000,000    | quoted |

**Please Note:** As indicated in the Wrap Fee Program Brochure, participation in the Program may cost more or less than purchasing such services separately. As also indicated in the Wrap Fee Program Brochure, the Program fee charged by Registrant for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

#### **529 Plans**

The Registrant may also provide non-discretionary, wrap *fee* investment advisory services (the Registrant's fee and transaction fees paid to the 529 Plan custodian are separate) for clients that desire for the Registrant to recommend allocation of investment alternatives provided within the client's 529 Plan; the fee for such service is 1.00% of the assets under Registrant's management.

#### **Raymond James Financial Services Wrap Program**

**Independent, Third-Party Managers.** The Registrant may also recommend that certain clients authorize the active discretionary management of a portion or all of their assets by and/or among certain independent, 3<sup>rd</sup> party investment manager[s] in accordance with the terms and conditions of the wrap program sponsored by *Raymond James Financial Services* ("RJFS"). The Registrant shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which the Registrant shall consider in recommending independent, 3<sup>rd</sup> party investment manager[s] include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. Under the RJFS wrap program the Registrant is able to offer clients the ongoing discretionary investment managers services provided by unaffiliated independent, 3<sup>rd</sup> party investment manager[s] for a single specified annual fee, inclusive of trade execution, custody, reporting, independent investment manager[s] fees, and the Registrant's ongoing advisory fee.

**Fee Differentials:** In certain circumstances, the Registrant, in its sole discretion, may charge a different wrap fee (higher or lower) based upon certain criteria (i.e., complexity of the engagement, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, anticipated level and scope of other services to be provided (i.e. financial planning services), negotiations with client etc.).

**Fee Calculation:** The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client, pursuant to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended (hereinafter the "Act").

**Fee Payment:** Clients will be charged in advance at the beginning of each calendar quarter based upon the value (market value or fair market value in the absence of market value, plus any credit balance or minus any debit balance), of the client's account at the end of the previous quarter. Fees are prorated for accounts opened during the quarter. An additional fee for the current quarter will be assessed if assets are deposited after the beginning of the quarter, prorated based on the number of calendar days remaining in the quarter during which the service will be in effect. No portion of the fee will be credited to the client for the current calendar quarter should any withdrawals from the portfolio occur in the same calendar quarter.

**Termination of Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of prior written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable. The client has the right to terminate an agreement without penalty within five (5) business days after entering into the agreement.

## MISCELLANEOUS

**Client Responsibilities:** In performing any of its services, the Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Furthermore, unless the client indicates to the contrary in the client's Investment Objective Confirmation letter, the Registrant shall assume that there are no restrictions on its services, other than to manage the account in accordance with the client's designated investment objective. **Moreover, it remains each client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising the Registrant's previous recommendations and/or services.**

**Please Note: Investment Performance:** As a condition to participating in the Program, the participant **must** accept that past performance may not be indicative of future results, and understand that the future performance of any specific investment or investment strategy (**including** the investments and/or investment strategies purchased and/or undertaken by the Registrant) **may not:** (1) achieve their intended objective; (2) be profitable; or, (3) equal historical performance level(s) or any other performance level(s).

- B. Participation in the Program may cost more or less than purchasing such services separately. Also, the Program fee charged by Registrant for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

Depending upon the percentage wrap-fee charged by the Registrant, the amount of portfolio activity in the client's account, and the value of custodial and other services provided, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately and/or if the Registrant were to negotiate transaction fees and seek best price and execution of transactions for the client's account.

- C. With the exception of the RJFS Wrap Program (as noted below in this Wrap Fee Brochure), the Program's wrap fee does not include certain charges and administrative fees, including, but not limited to, fees charged by *independent 3<sup>rd</sup> party managers*, transaction charges (excluding mark-ups and mark-downs) resulting from trades effected through or with a broker-dealer other than *RJFS*, transfer taxes, odd lot differentials, exchange fees, interest charges, American Depository Receipt agency processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts. Such fees and expenses are in addition to the Program's wrap fee.
- D. No person recommending a wrap fee program to the client receives compensation as a result of client's participation in the program.



## Item 5 Account Requirements and Types of Clients

The Registrant's clients shall generally include individuals, business entities, trusts, estates, charitable organizations, and pension and profit sharing plans. Advisory fees and/or account minimums may vary among Registrant's clients based upon a number of factors, including the size of client's account, the types of investments, the nature of related services provided, and the length of the advisory relationship with a client, amount other things. The Registrant will "household" or group together multiple accounts of one client relationship for the purpose of calculating the fee (**however**, such "household" fee aggregation is limited to immediate family members [spouses, minor children] living within the same household. Registrant requires an aggregate asset minimum of \$500,000 for investment advisory services. The Registrant, in its sole discretion, may reduce its investment advisory fee and/or reduce or waive its minimum asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).

## Item 6 Portfolio Manager Selection and Evaluation

- A. The Registrant may allocate a portion of a client's Program assets among unaffiliated independent investment managers in accordance with the client's designated investment objective(s). In such situations, the *independent 3<sup>rd</sup> party manager[s]* shall have day-to-day responsibility for the active discretionary management of the allocated Program assets. The Registrant shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which the Registrant shall consider in recommending *independent 3<sup>rd</sup> party manager[s]* include the client's designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research.
- B. The Registrant acts as the portfolio manager for the Program. Inasmuch as the execution costs for transactions effected in the client account will be paid by the Registrant, a potential conflict of interest arises in that the Registrant may have a disincentive to trade securities in the client account. In addition, the amount of compensation received by the Registrant as a result of the client's participation in the Program may be more than what the Registrant would receive if the client paid separately for investment advice, brokerage and other services.

As the Program sponsor, the Registrant shall be responsible for the primary management of the Program, including the selection and termination of all *independent 3<sup>rd</sup> party manager[s]*. Once selected, *independent 3<sup>rd</sup> party manager[s]* shall be responsible for day-to-day management and selection of securities for the account.

- C. As discussed below, the Registrant offers to its clients discretionary and non-discretionary investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

## **ADVISORY SERVICES**

The client can determine to engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a wrap or non-wrap *fee* basis. (*See* discussion below). If a client determines to engage the Registrant on a wrap *fee* basis the client will pay a single fee for bundled services (i.e. investment advisory, trade execution, custody). The services included in a wrap fee agreement will depend upon each client's particular need. If the client determines to engage the Registrant on a non-wrap fee basis for 401k plan monitoring, the client will pay for investment advisory services only (in addition to any fees or costs charged by the 401k plan).

Registrant's annual investment advisory fee shall include investment advisory services, and, to the **extent specifically requested** by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of the Registrant), the Registrant may determine to charge for such additional services, the dollar amount of which shall be set forth in a separate written notice to the client.

## **DEANE RETIREMENT STRATEGIES, INC. WRAP PROGRAM**

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Descriptions of the Equity Blend, Balanced Blend, Equity Income, Mixed Assets, Fixed Income, wrap advisory accounts are as follows:

**Equity Blend:** Equity Blend portfolios seek to grow assets while minimizing portfolio volatility. Each portfolio is composed of 100% equity. Positions are typically held for the long term to minimize portfolio turnover and improve tax efficiency. Turnover will occur in the portfolio only when the conditions that

justified the initial purchase deteriorate, the market price significantly exceeds the intrinsic value of the company, or when the portfolio can be materially upgraded by trading one holding for another. The account generally consists of 20-25 stocks of primarily large capitalization companies. Investments are selected after an examination of the companies' competitive position, financial statements, long-term economic trends relevant to the company, and the relationship of the current price to intrinsic value of the company. We strive to buy stocks of outstanding companies at the best possible prices to maximize returns (See Investment Performance disclosure below). Investment in dividend paying companies is preferred, but we will invest in non-dividend paying companies when appropriate. The intended holding period for each investment is 2-4 years. Mid-capitalization companies will be included to supplement growth opportunities in the large cap portion of the portfolio. These opportunities will be restricted to a maximum of 15-20% of the portfolio to preserve the large cap bias in the portfolio.

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on the level of the current dividend, but also on their ability to grow that dividend over time. We believe the best investments with this ability are in companies that possess a sustainable competitive advantage, avoid excessive indebtedness, and that employ a high quality management team committed to outstanding shareholder returns. We strive to purchase the stocks of these companies at significant discounts to their intrinsic values. (See Investment Performance disclosure below).

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**Fixed Income:** Fixed Income portfolios are managed to generate maximum income while prudently sheltering capital from market turbulence and minimizing the risk of permanent loss. Individual bond positions will usually be held to maturity to minimize portfolio turnover and transaction costs. One hundred percent of the portfolio will be allocated to fixed income investments with an average portfolio maturity of two to seven years. Eligible investments include U.S. Government Treasury and Agency securities, AAA-rated mortgage backed securities, investment grade bonds, and investment grade preferred stocks. These securities may also be purchased in baskets through exchange traded funds to improve portfolio liquidity, positioning or diversification. One half of the portfolio will be allocated to U.S. Government Treasury and Agency securities. The other half may be composed of any of the security types listed above. The exact allocation between them will be

determined by our assessment of the prevailing economic fundamentals and market conditions. The allocation of the portfolio will change over time to take advantage of investment opportunities as they appear. (See Investment Performance disclosure below).

**Please Note - Investment Performance:** As a condition to participation in the Program, the participant **must** accept that past performance may not be indicative of future results, and understand that the future performance of any specific investment or investment strategy (**including** the investments and/or investment strategies purchased and/or undertaken by DRS) **may not** (1) achieve their intended objective; (2) be profitable; or (3) equal historical performance level(s).

Advisory fees for wrap programs shall generally be charged as follows, based upon a percentage of assets placed under the Registrant's management (between negotiable and 2.30%) as follows:

| <b>Aggregated<br/>DRS &amp; 3<sup>rd</sup> Party<br/>Discretionary Wrap<br/>Equity and Balanced<br/>Managed Accounts</b> |        | <b>Aggregated DRS<br/>Discretionary Wrap<br/>Equity-Income<br/>Managed Accounts</b> |        | <b>Aggregated<br/>DRS &amp; 3<sup>rd</sup> Party<br/>Discretionary Wrap<br/>Fixed Income<br/>Managed Accounts</b> |        |
|--|--------|---|--------|---|--------|
| Account Value  | Fees   | Account Value   | Fees   | Account Value   | Fees   |
| \$100,000  | 2.30 % | \$100,000   | 1.80 % | \$100,000   | 1.25 % |
| 300,000  | 2.20   | 300,000   | 1.70   | 300,000   | 1.25   |
| 500,000  | 2.10   | 500,000   | 1.60   | 500,000   | 1.15   |
| 700,000  | 2.00   | 700,000   | 1.50   | 700,000   | 1.08   |
| 1,000,000  | 1.90   | 1,000,000   | 1.40   | 1,000,000   | 0.98   |
| 1,500,000  | 1.85   | 1,500,000   | 1.35   | 1,500,000   | 0.94   |
| 2,000,000  | 1.80   | 2,000,000   | 1.30   | 2,000,000   | 0.84   |
| 3,000,000  | 1.70   | 3,000,000   | 1.20   | 3,000,000   | 0.79   |
| 4,000,000  | 1.60   | 4,000,000   | 1.10   | 4,000,000   | 0.77   |
| 5,000,000  | 1.50   | 5,000,000   | 1.00   | 5,000,000   | 0.73   |
| 7,000,000  | 1.40 % | 7,000,000   | 1.00 % | 7,000,000   | 0.71 % |
| \$10,000,000   | quoted | \$10,000,000  | quoted | \$10,000,000  | Quoted |

**Aggregated DRS  
Discretionary Wrap  
Mixed Assets  
Managed Accounts**

|                 |        |
|-----------------|--------|
| Under \$100,000 | 1.90 % |
| \$100,000       | 1.80   |
| 300,000         | 1.70   |
| 500,000         | 1.60   |
| 700,000         | 1.50   |
| 1,000,000       | 1.40   |
| 1,500,000       | 1.35   |
| 2,000,000       | 1.30   |
| 3,000,000       | 1.20   |
| 4,000,000       | 1.10   |
| 5,000,000       | 1.00   |
| 7,000,000       | 1.00 % |
| \$10,000,000    | quoted |

**Please Note:** As indicated in the Wrap Fee Program Brochure, participation in the Program may cost more or less than purchasing such services separately. As also indicated in the Wrap Fee Program Brochure, the Program fee charged by Registrant for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs.

**Raymond James Financial Services Wrap Program  
Independent, Third-Party Managers**

The Registrant may also recommend that certain clients authorize the active discretionary management of a portion or all of their assets by and/or among certain independent 3<sup>rd</sup> party investment manager[s] in accordance with the terms and conditions of the wrap program sponsored by *Raymond James Financial Services (“RJFS”)*. The Registrant shall continue to render investment supervisory services to the client relative to the ongoing monitoring and review of account performance, asset allocation and client investment objectives. Factors which the Registrant shall consider in recommending independent 3<sup>rd</sup> party investment manager[s] include the client’s designated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. Under the *RJFS* wrap program the Registrant is able to offer clients the ongoing discretionary investment managers services provided by unaffiliated independent, 3<sup>rd</sup> party investment manager[s] for a single specified annual fee, inclusive of trade execution, custody, reporting, independent investment manager[s] fees, and the Registrant’s ongoing advisory fee.

**529 Plans**

The Registrant may also provide non-discretionary, wrap *fee* investment advisory services (the Registrant’s fee and transaction fees paid to the 529 Plan custodian are separate) for clients that desire for the Registrant to recommend allocation of investment

alternatives provided within the client's 529 Plan; the fee for such service is 1.00% of the assets under Registrant's management.

### **NON-WRAP NON-DISCRETIONARY INVESTMENT ADVISORY SERVICES**

The client can determine to engage the Registrant to provide non-discretionary, non-wrap fee investment advisory services (the Registrant's investment advisory fee and transaction fees paid to the 401k plan are separate) for clients that desire for the Registrant to recommend allocation of investment alternatives provided under the client's 401k self directed retirement plan in accordance with the following fee schedule:

#### **Non-Discretionary Non-Wrap 401K Plan Monitoring**

| <u>Market Value of Portfolio</u> | <u>% of Assets</u> |
|----------------------------------|--------------------|
| Under \$500,000                  | 0.50 %             |
| \$500,000 to \$999,999           | 0.35 %             |
| 1,000,000 to \$1,499,999         | 0.25 %             |
| Over \$1,500,000                 | 0.20 %             |

### **FINANCIAL PLANNING AND CONSULTING SERVICES**

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including retirement planning, estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees are generally not negotiable, but generally range from \$500 to \$5,000 for the Financial or Retirement Assessment and/or Plan and from \$1,000 to \$5,000 for and Estate Assessment and/or Plan depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). A description of these services is as follows:

**Financial or Retirement Assessment and/or Plan.** The Registrant may examine income, investment, retirement and capital needs planning. Registrant shall provide the Client with assistance defining personal goals and objectives to be pursued in the areas listed above and supply analysis and recommendations as to the actions and investment strategies necessary to attain the selected goals and objectives. Registrant will not provide either accounting or legal advice, nor will it prepare any accounting or legal documents for the implementation of the client's financial, retirement, or business plan.

**Estate Assessment and Plan.** The Registrant may examine potential estate tax liability, gifting programs, charitable giving, life insurance, wills and trusts. Registrant shall provide the Client with assistance defining personal goals and objectives to be pursued in the areas listed above and supply analysis and recommendations as to the actions and strategies necessary to obtain the selected goals and objectives. Registrant will not provide either accounting or legal advice, nor will it prepare any accounting or legal documents for the implementation of the client's estate plan.

Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Limited Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client prior to Registrant commencing services. Neither the Registrant nor any of its representatives serves as an accountant, and no portion of the Registrant's services should be construed

as same. Rather, the client must defer to his/her/its own attorney or accountant for such advice or services. If requested by the client, Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, licensed insurance agents, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

## MISCELLANEOUS

**Non-Investment Consulting/Implementation Services.** If requested by the client, the Registrant may provide consulting services regarding non-investment related matters, such as retirement planning, estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an accountant, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, licensed insurance agents, etc.). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Please Note (Wrap/Managed Account programs):** In the event that Registrant is engaged to provide investment management services as part of an unaffiliated wrap-fee program, Registrant will be unable to negotiate commissions and/or transaction costs. Under a wrap program, the wrap program sponsor arranges for the investor participant to receive investment advisory services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately. In the event that Registrant is engaged to provide investment management services as part of an unaffiliated managed account program, Registrant will likewise be unable to negotiate commissions and/or transaction costs. If the program is offered on a non-wrap basis, the program sponsor will determine the broker-dealer through which transactions must be effected, and the amount of transaction fees and/or commissions to be charged to the participant investor accounts.

**Please Note: Non-Discretionary Service Limitations.** Clients that determine to engage the Registrant on a non-discretionary investment advisory basis **must be willing to accept** that the Registrant cannot effect any account transactions without obtaining prior verbal consent to any such transaction(s) from the client. Thus, in the event of a market



correction during which the client is unavailable, the Registrant will be unable to effect any account transactions (as it would for its discretionary clients) without first obtaining the client's verbal consent.

**Trade Error Policy.** Registrant shall reimburse accounts for losses resulting from the Registrant's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled within the Registrant's custodian firm account and Registrant retains the net gains and losses.

**Client Obligations.** In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Disclosure Statement.** A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Advisory Agreement or Limited Consulting Agreement*. Any client who has not received a copy of Registrant's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement or Limited Consulting Agreement* shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at anytime, impose reasonable restrictions, in writing, on the Registrant's services

There is no significant difference between how the Registrant manages wrap fee accounts and non-wrap fee accounts. However, as stated above, if a client determines to engage the Registrant on a wrap fee basis the client will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody). The services included in a wrap fee agreement will depend upon each client's particular need. If the client determines to engage the Registrant on a non-wrap fee basis for 401k plan monitoring, the client will pay for Registrant's investment advisory services only (in addition to any fees or costs charged by the 401k plan). **Please note:** When managing a client's account on a wrap fee basis, the Registrant shall receive as payment for its investment advisory services, the balance of the wrap fee after all other costs incorporated into the wrap fee have been deducted.

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

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

The Registrant shall utilize the following methods of security analysis:

- Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)

The Registrant shall utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

## **Item 7            Client Information Provided to Portfolio Managers**

The Registrant shall be the Program's portfolio manager. The Registrant shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). The Registrant shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at anytime, impose restrictions, in writing, on the Registrant's services.

As indicated above, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

To the extent the Program utilizes independent 3<sup>rd</sup> party manager[s], the Registrant shall provide the Independent 3<sup>rd</sup> party manager[s] with each client's particular investment objective(s). Any changes in the client's financial situation or investment objectives reported by the client to the Registrant shall be communicated to the independent 3<sup>rd</sup> party manager[s] within a reasonable period of time.

## **Item 8            Client Contact With Portfolio Managers**

The client shall have, without restriction, reasonable access to the Program's portfolio manager.

## **Item 9            Additional Information**

- A. The Registrant has not been the subject of any disciplinary actions.

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

Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

**Attorney.** Registrant's representative, Robert Deane, JD, is licensed to practice law. However, Mr. Deane does not provide legal services to any of the Registrant's clients, and no corresponding attorney-client relationship is established. No portion of the Registrant's services should be construed as legal services. The above is provided for full disclosure purposes and the fact that Mr. Deane is licensed to practice law is **not material** to the Registrant's investment advisory business or services.

**Licensed Insurance Agent.** Linda Deane, in her individual capacity, is a licensed insurance agent. However, Mrs. Deane does not hold herself out to the public as an insurance agent, and does not solicit Registrant's clients to purchase insurance products. Mrs. Deane's insurance licensing is **not material** to the Registrant's investment advisory operations, and is set forth on this Brochure for full disclosure purposes.

The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.

The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this

requirement can help detect insider trading, “front-running” (i.e., personal trades executed prior to those of the Registrant’s clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant’s “Access Persons”. The Registrant’s securities truncation policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person’s current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the Registrant has only one Access Person, he or she shall not be required to submit any securities report described above.

The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant’s Access Persons.

### **Review of Accounts**

For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and Chief Compliance Officer. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.

The Registrant *may* conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

### **Client Referrals and Other Compensation**

The Registrant may receive an indirect economic benefit from *RJFS*. The Registrant, without cost (and/or at a discount), may receive support services and/or products from *RJFS*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *RJFS* as result of this arrangement. There is no corresponding commitment made by the Registrant to *RJFS* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

**The Registrant's Chief Compliance Officer, Linda Deane, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.**

Neither the Registrant nor a related person directly or indirectly compensates any person who is not a supervised person for client referrals.

### **Financial Information**

The Registrant does not solicit fees of more than \$1,200 per client six months or more in advance.

The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

The Registrant has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Registrant's Chief Compliance Officer, Linda Deane, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**