

Investors Research Corporation  
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[www.ircwealth.com](http://www.ircwealth.com)  
March 1, 2011

This Brochure provides information about the qualifications and business practices of Investors Research Corporation [“ADVISER”]. If you have any questions about the contents of this Brochure, please contact us at (404) 456-5924. 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.

Investors Research Corporation is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Investors Research Corporation also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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## Item 2 – Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 1, 2011 is a new document prepared according to the SEC’s new requirements and rules.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting David Ragland at (404) 456-5924 or david@ircinvestments.com. Our Brochure is also available on our web site [www.ircwealth.com](http://www.ircwealth.com), also free of charge.

Additional information about Adviser is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Adviser who are registered, or are required to be registered, as investment adviser representatives of Investors Research Corporation.

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### Item 3 -Table of Contents

|  |     |
|--|-----|
| Item 1 – Cover Page .....  | i   |
| Item 2 – Material Changes .....  | iii |
| Item 4 – Advisory Business .....   | 1   |
| Item 5 – Fees and Compensation.....  | 1   |
| Item 6 – Performance-Based Fees and Side-By-Side Management .....          | 1   |
| Item 7 – Types of Clients .....  | 2   |
| Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss ..... | 2   |
| Item 9 – Disciplinary Information.....                                     | 2   |
| Item 10 – Other Financial Industry Activities and Affiliations .....       | 2   |
| Item 11 – Code of Ethics .....   | 3   |
| Item 12 – Brokerage Practices.....   | 4   |
| Item 13 – Review of Accounts.....  | 5   |
| Item 14 – Client Referrals and Other Compensation .....                    | 5   |
| Item 15 – Custody .....  | 5   |
| Item 16 – Investment Discretion .....                                      | 6   |
| Item 17 – Voting Client Securities.....                                    | 6   |
| Item 18 – Financial Information .....                                      | 6   |
| Brochure Supplement(s)   |     |

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#### **Item 4 – Advisory Business**

Investors Research Corporation is a value based investment advisor specializing in the needs of select individuals, pension plans and private trusts. This exclusive focus helps us pay strict attention to your personal success and allows us to build a value-based portfolio that reflects long term needs. As registered investment advisors, we apply our disciplined and unique approach to money management – which in turn attracts discerning clients, many of whom are unable to find solutions they are seeking in traditional managed accounts. The Principal owner of the business is David M. Ragland.

#### **Item 5 – Fees and Compensation**

For Investment Services, Adviser shall be entitled to quarterly fee of up to 1% per annum of the market value of the total Investment Management Account including common stocks, bonds and money market funds. Client agrees to pay the fee in quarterly installments. The quarterly fee is computed by averaging the value of the Investment Management Account for the beginning and ending of the quarter based upon the Broker-Dealer's monthly statement to the Client. Investment Services for a period of less than three months shall be computed pro-rata based upon the market value of the securities as of the last Broker-Dealer Statement sent to the client at the end of the current calendar quarter. Adviser's fees shall be deducted by the Broker-Dealer from the Client's account on a quarterly basis. Adviser's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses that shall be incurred by the client. All fees are subject to negotiation.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

Investors Research Corporation does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

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## **Item 7 – Types of Clients**

Investors Research Corporation provides portfolio management services to individuals, high net worth individuals, corporate pension and profit-sharing plans.

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

Investing in securities involves risk of loss that clients should be prepared to bear.

The investment strategies and policies employed attempt to minimize or prevent erosion by inflation. Since the funds are intended for retirement, the investment time horizon is long-term by nature. Because of the long-term focus, short-term volatility is acceptable in an effort to provide for higher long-term returns. In an effort to provide a higher return the fund assets are allocated between stocks and cash equivalents. The targeted investment portfolio is allocated up to 99% in equities and up to 20% in cash equivalents investments.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Investor Research Corporation or the integrity of Investor Research Corporation's management. Investors Research Corporation has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

Currently, our accounts are held at a Broker-Dealer, Morgan Stanley Smith Barney. The Broker-Dealer's representative is Thomas R. Ragland.

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## Item 11 – Code of Ethics

Investors Research Corporation has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Investors Research Corporation must acknowledge the terms of the Code of Ethics annually, or as amended.

Adviser anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Adviser has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Adviser, its affiliates and/or clients, directly or indirectly, have a position of interest. Adviser's employees and persons associated with Adviser are required to follow Adviser's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Adviser and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Adviser's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Adviser will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. The Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Adviser and its clients.

Adviser's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting David M. Ragland at (404) 456-5924.

It is Adviser's policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Adviser will also not cross trades between client accounts.

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Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Item 12 – Brokerage Practices**

Investors Research Corporation takes a disciplined approach to our investment selection process. It is based partly on technical analysis, partly on fundamentals and partly on our own proprietary research. Our approach is methodical and consistent to ensure the best possible return for your capital. The refined application of our analytical tools is a distinguishing feature of our company. We do this for each and every client investment. Our process does not vary based on the size of your account or the number of years you've been with us.

The investment selection of process is as follows:

1. **Technical Analysis:** On a weekly basis we review more than 2000 stocks and analyze their price action over the last 1 year and 3 years. During this phase we look for companies whose stock price has been substantially reduced due to some temporary reduction in earnings or earnings expectations. This reduction in earnings can be the result of an economic cycle, a commodity pricing cycle, bad management, change in governmental regulation or uncertainty that otherwise holds back the stock's price.

Next we look for a base range in the stock's price action. A base range is a sideways price pattern and often indicates that we are near a bottom-value or if we're at a price with minimal downside pressure. Our tools help us detect bottom ranges that last anywhere from 1 month to 5 years. Generally we like stocks that are in the base range for a period of at least 6 months.

In addition to the sideways pattern, our technical analysis looks at a stock's trading volume during up and down days; insider buying or selling; and the company's price action in comparison to other companies in the same industry.

2. **Fundamental Analysis:** If a stock clears our technical analysis hurdles, we review the Company's fundamentals. Our research is broad based. We use many resources. We

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look at its price-to-earnings ratio, price-to-sale ratio, debt levels, earnings history, as well as its trends in its industry.

3. **Proprietary Tools:** Developed over the last three decades, we then apply our own models to help us weigh risk-versus-rewards when making an investment selection. This is our macro view and allows us to look at both the individual stock and the overall market conditions as we make the final selections.

Investors Research Corporation ensures that the client is paying at or below market for commission and transaction fees at the selected Broker-Dealer. Adviser does not benefit directly or indirectly from the Broker-Dealer relationship. Our clients enjoy all the benefits of the Broker-Dealer relationship.

### **Item 13 – Review of Accounts**

Semi-annually, Investors Research Corporation provides an investment recap report summarizing the portfolio's yearly and historical performance. During this meeting we review your investment results and update your financial strategy according to any changes that might have occurred during the last six months.

### **Item 14 – *Client Referrals and Other Compensation***

Investors Research Corporation does not receive or pay any compensation for client referrals.

### **Item 15 – Custody**

Clients should receive at least quarterly statements from the current Broker-Dealer, Morgan Stanley Smith Barney, the qualified custodian that holds and maintains client's investment assets. Investors Research Corporation consistently reviews client statements and urges you to carefully review such statements and compare official custodial records to the account statements that we may provide to you. Our reporting may vary from custodial



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statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Investors Research Corporation usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Adviser observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, Adviser's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made.

Any specific investment guidelines and restrictions must be provided to Adviser in writing.

### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, Adviser does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Adviser may provide advice to clients regarding the clients' voting of proxies.

### **Item 18 – Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Adviser's financial condition. Adviser has no

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financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

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**Item 1- Cover Page**

David M. Ragland  
Investors Research Corporation  
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(404) 456-5924  
March 1, 2011

**This Brochure Supplement provides information about David M. Ragland that supplements the Investors Research Corporation Brochure. You should have received a copy of that Brochure. Please contact David Ragland if you did not receive Investors Research Corporation's Brochure or if you have any questions about the contents of this supplement.**

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

**Item 2- Educational Background and Business Experience**

David M. Ragland was born in 1964. Mr. Ragland's undergraduate studies were completed at the University of Georgia, where he received a bachelor of Business Administration with a major in Accounting. He remained at University of Georgia where he earned his Masters in Accounting. After working as a CPA with Ernst and Young in Washington, DC and Atlanta, GA from 1986 to 1991, Mr. Ragland then entered private practice specializing in financial advice to entrepreneurial businesses and high net worth individuals.

**Item 3- Disciplinary Information**

No information is applicable to this Item.

**Item 4- Other Business Activities**

No information is applicable to this Item.

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**Item 5- Additional Compensation**

No information is applicable to this Item.

**Item 6 - Supervision**

No information is applicable to this Item.