



# FORM ADV PART II

March 1, 2013

**Guardian Capital Advisors, LLC**

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**This brochure provides information about the qualifications and business practices of Guardian Capital Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (919)782-7619. 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. The reference to "Registered Investment Advisor" registration does not imply a certain level of skill or training. Additional information about Guardian Capital Advisors, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Material Changes

On July 28, 2010, the United States Securities and Exchange Commission ("SEC") published "Amendments to Form ADV" under the Investment Advisers Act of 1940 ("Advisers Act") which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated March 31st, 2011 is a new document prepared according to the new requirements. Currently, our Brochure may be requested by contacting your Investment Advisor Representative. Additional information about Guardian Capital Advisors, LLC 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 GCA, LLC who are registered.

- **March 29, 2011** – This document in its entirety is a new document. The information contained herein was available to clients in Guardian Capital Advisors, LLC's previous ADV Part II, associated Schedules and other related client documents.
- **January 20, 2012** – This document in its entirety has been reviewed for required changes; however, none were necessary. The information contained herein was made available to clients via the Client Letter dated January 20, 2011.
- **August 3, 2012** – As part of a routine examination performed by the SEC Atlanta Regional Office, the following disclosures and material changes were made:
  - **Advisory Business: Page 4** – **Inserted text** "GCA has a material business relationship with Triad Advisors, Inc., a Broker Dealer and member of FINRA/SIPC. Through Triad, GCA also maintains client's assets with National Financial Services, LLC, a Fidelity Investments Company."
  - **Fees and Compensation: Page 5** – **Removed text** "Client will be charged by RIA a minimum Management Fee of \$180 quarterly (or \$60 monthly). " **Added text** "Our broker-dealer will charge GCA and deduct from the Account a minimum service fee of \$180 annually for the Pinnacle Accounts and \$20 annually for the Crown Accounts."
  - **Brokerage Practices: Page 11** – **Added text** "Currently GCA has directed all of its individual client's brokerage business through Triad and NFS. It isn't likely that this relationship will change in the foreseeable future."
- **March 4, 2013** – Annual updates for 2013 include the following:
  - **Advisory Business: Page 4** – Updated text "Guardian Capital Advisors, LLC (GCA) is a Registered Investment Advisor, consisting of four Investment Advisor representatives (IAR) and two support staff."
  - **Advisory Business: Page 4** – Updated GCA's assets under management to reflect current dollar amount.
  - **Advisory Business: Page 4** – Updated primary areas of concentration.
  - **Form ADV Part II: Supplements Page 13 & 14**– Removed H. Duke Fentress and associated biography information from list of GCA IARs. Retired December, 2012.
  - **401k Pension Consulting Services: Page 5** – Removed sentence "All plans are on the Consulting, Planning and Participant Education Service."
  - **Fees and Compensation: Page 5** – Updated sentence to reflect that fees for client's assets under management are paid quarterly in advance versus in arrears.
  - **Fees and Compensation (Minimum Service Fee): Page 5** – removed the following sentence "Client will be charged by RIA a minimum Management Fee of \$180 quarterly (or \$60 monthly). "

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# Advisory Business

Guardian Capital Advisors, LLC (GCA) is a Registered Investment Advisor, consisting of four Investment Advisor representatives (IAR) and two support staff. Founded in 2009, our mission at GCA is to enhance the financial wealth of our clients by offering superior fiduciary services and a consistent and methodical investing approach for clients in all stages of life. We believe in establishing long-term, trusting relationships with our clients and always aligning our interests with theirs. GCA has \$127,315,027.18 of assets under management and is registered with the Securities and Exchange Commission. GCA has a material business relationship with Triad Advisors, Inc., a Broker Dealer and member of FINRA/SIPC. Through Triad, GCA also maintains client's assets with National Financial Services, LLC, a Fidelity Investments Company. Our primary areas of concentration are:

- Comprehensive planning and advisory services for individual and business investors,
- Consulting and management of retirement plans for businesses, and

***Financial Planning and Financial Advisory Services*** - GCA will typically provide a variety of financial planning services, pursuant to a written Agreement, to individuals, families and other clients regarding the management of their financial resources based upon an analysis of client's current situation, goals, and objectives. Generally, such financial planning services will involve preparing a financial plan or rendering a financial consultation for clients based on the client's financial goals and objectives. This planning or consulting may encompass one or more of the following areas: investment planning, retirement planning, estate planning, charitable planning, education planning, and business planning.

The plan developed for or financial consultation rendered to the client will usually include general recommendations for a course of activity or specific actions to be taken by the clients. For example, recommendations may be made that the clients begin or revise investment programs, create or revise wills or trusts, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. GCA may also refer clients to an accountant, attorney or other specialist. For planning engagements, Advisor will provide a written summary of Client's financial situation, observations, and recommendations. For consulting engagements, Advisor may not provide a written summary. Plans or consultations are typically completed within six months of contract date, assuming all information and documents requested are provided promptly.

What differentiates our investment philosophy from other firms in the industry is a focus on risk management, as compared to one centered around relative return on investment. While all investors are happy when their investments rise in value, they take no solace in "outperforming" the markets by losing "less than" the broad indices during declines. We believe in creating investment strategies that have the potential to participate in upside movements when possible, but having flexibility to preserve capital when shifts occur. Our firm helps clients manage their assets by providing tools, such as asset allocations, portfolio monitoring and financial analysis software, that can be used to design and maximize the most appropriate individualized portfolio.

***Wrap and Non-Wrap Account Portfolio Management*** - At GCA, we emphasize continuous personal client contact and interaction in providing discretionary or non-discretionary investment supervisory services. Further, we work with clients to identify investment goals and objectives as well as risk tolerance in order to create an initial portfolio allocation designed to complement client's goals and objectives, circumstances, and risk tolerance. Each client will have the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Advisor's strategy will generally be to seek to meet client investment objectives while providing clients with access to personal advisory services as needed.

The Investment Advisor may create a portfolio, consisting of individual stocks or bonds; exchange-traded funds (ETFs); no-load funds and/or load-waived funds (front-end commissions will not be charged). Investment strategies may include long-term buy and hold, short-term trading, short sales, margin transactions and option writing strategies.

***401k Pension Consulting Services*** - 401k Pension Consulting consists of assisting employer plan sponsors establish, monitor and review their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas

of advising could include: investment options, plan structure, participant education. GCA also offers fiduciary consulting and oversight of Plans managed through other RIAs.

## Fees and Compensation

Investment Advisors are compensated in the following ways:

- Fees – Fees may be negotiable.
- Hourly rates for consultation services.
- Fixed Fees – (does not include subscription fees)
- Commissions for insurance policies purchased by clients as a result of Advisor's recommendation.
- Other –

<i><b>FEE SCHEDULE: Wrap Portfolio Management</b></i>	
<b>Assets under Management</b>	<b>Annual Advisory Fee</b>
Any Assets	1.50%

<i><b>FEE SCHEDULE: Non-Wrap Portfolio Management</b></i>	
<b>Assets under Management</b>	<b>Annual Advisory Fee</b>
Any Assets	1.25%

The above fees are based upon the client's assets under management and are paid quarterly in advance.

**Quarterly Billing:** If an account is opened in the first or second month of a quarter, it will be charged one fee during its first billing cycle, which will occur during the first full month after the account is funded. The fee is prorated for the number of days the account was opened on the start date through the end of the quarter. The fee will be based on the average daily balance of the account during the first partial month. If an account is opened in the third month of a quarter, it will be charged two fees in its first billing cycle. The first will be for its partial month. The second will be for the upcoming full quarter. The fees will be charged on the 15<sup>th</sup> business day of the first full month, or the first month of the next quarter. The fee will be based on the average daily balance of the account during its first partial month. Going forward, fees are calculated at the end of the quarter and charged during the first month of the quarter based on the average daily balance of the account during the prior quarter.

**Monthly Billing:** The account will be billed for the first partial month and the first full month during the first full month. The fees are calculated based on the average daily balance during the first partial month. Going forward, all monthly fees will be charged in the current month based on the prior month's average daily balance.

**Minimum Service Fee:** Our broker-dealer will charge GCA and deduct from the Account a minimum service fee of \$180 annually for the Pinnacle Accounts and \$20 annually for the Crown Accounts.

In the event that the client terminates the Investment Adviser's services before the end of a calendar quarter, client shall be assessed a pro-rata fee based on the number of days the client's account was managed by the Investment Adviser. Fees will be automatically deducted from the account. Clients will be provided with a monthly statement from account custodian reflecting deduction of the advisory fee.

GCA hereby discloses that Clients may receive the same or comparable services from other Financial Advisors at a lower fee. GCA discloses that it may utilize various firms for the execution of securities transactions and to custody assets. In certain cases, the Investment Advisor may recommend that clients execute transactions through unaffiliated broker-dealers. In any event, Client is under no obligation to act upon Advisor's recommendations and if the Client elects to act on any of the recommendations, the Client is under no obligation to effect the transaction through the GCA Investment Advisor, or any of the unaffiliated broker-dealers recommended.

For the GCA wrap accounts, the Client will not incur transaction charges imposed by unaffiliated third parties. The Client may pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Non-wrap account Clients will incur transaction charges imposed by unaffiliated third parties.

Either party may terminate the agreement at any time by providing written notice to the other party. Full refunds will only be made in cases where cancellation occurs within five (5) business days of signing the Advisor's Investment Advisory Agreement. After five (5) business days, clients will receive pro-rata refunds, which take into account work completed by the Advisor on behalf of the client. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.

***Portfolio Management Services Under Third Party Advisory Services*** – The Investment Advisor may refer clients to other Third Party Asset Managers, where one of the third party money manager IARs will design an investment portfolio and provide ongoing corresponding investment management services on a fee-only basis for a percentage of assets, not to annually exceed 3.0% of asset under management. The third party money managers' annual investment advisory fee shall be pro-rated and paid quarterly, in advance or arrears. The percentage (%) portion of the fee shall be based upon the market value of the assets on the last day of the previous quarter. These third party money managers may in their sole discretion, charge a lesser annual advisory fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, type of services required, account composition, negotiations with client, etc).

Advisor shall generally recommend that investment management accounts be maintained at the third party money manager's place of business or another unaffiliated service provider. Factors which Advisor considers in recommending a third party money manager (or any other investment adviser or other broker-dealer/custodian) to clients include their respective financial strength, reputation, execution, pricing, reporting, research, and service. Prior to Advisor referring clients to third party money managers for investment management services, the client will be required to sign a Solicitation Disclosure Statement setting forth the percentage of the client's overall advisory fee to be paid to Advisor, that they understand Advisor is being paid a fee to refer the client to third party money managers and whether the client's fee will be increased as a result of the solicitation fee paid to Advisor.

NFS charges an IRA maintenance fee and an alternative investment fee.

***FEE SCHEDULE: Financial Planning/Financial Consulting Services*** - Advisor offers financial planning services on an hourly basis for \$175 per hour, which may be negotiable depending on the nature and complexity of each client's circumstances. An estimate for total hours will be determined at the start of the advisory relationship.

The Advisor's fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. However, the Advisor shall not receive any portion of these commissions, fees, and costs. The hourly fees are determined after considering many factors, such as the level and scope of the services.

The Advisor may also charge a negotiable fixed fee ranging from \$500 to \$25,000 for a financial plan, the total of which is dependent upon the level and scope of these services. One half of the total estimated fixed and hourly fees are due and payable at the time the client's agreement is executed, the remainder of the fees are due upon presentation of a plan or the rendering of consulting services. Financial plans will be presented to the clients within the timeframe specified in the contract, provided the scope of the work does not change and all information needed to prepare the financial plan has been promptly provided by the clients.

In the event a client should cancel the financial planning agreement under which any plan is being created, the client shall be billed for actual hours logged on the planning project times at the agreed upon hourly rate or shall forfeit the 50% upfront payment, whichever is greater.

Either party may terminate the agreement at anytime by providing written notice to the other party within five (5) days of signing the Advisor's financial planning agreement. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.

### ***FEE SCHEDULE: 401k Pension Consulting Services***

The Advisor charges a negotiable fixed fee ranging from \$2500 to \$25,000 for 401k Pension Consulting Only services, the total of which is dependent upon the level and scope of these services. One half of the total estimated fixed fees are due and payable at the time the client's agreement is executed, the remainder of the fees are due upon the rendering of 401k Pension Consulting Only services. 401k Pension Consulting Only services will be rendered to the clients within 6 months of the contract date, provided that all information needed to prepare the 401k Pension Consulting Only services have been promptly provided by the clients.

The Advisor charges a negotiable annual fixed fee to the Client ranging from \$2500 to \$100,000 for 401k Pension Consulting, Planning, and Participant Education services, the total of which is dependent upon the size of the plan, the number of participants, and the level and scope of these services. The fee will be billed quarterly in arrears. There is a fee of \$50 per plan participant, which is paid by the Client and is a determining factor of the annual fixed fee.

In addition to GCA's fee, the Client may also incur certain charges imposed by unaffiliated third parties. Such charges include, but are not limited to, custodial fees, brokerage commissions, transaction fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund purchased for the account which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), wire transfer fees, charges imposed by Third Party Administrators, charges imposed by Corporate Trustees and other fees and taxes on brokerage accounts and securities transactions.

All 401(k) planning services shall be in compliance with the Investment Advisers Act of 1940, rules and regulations thereunder, and applicable State law(s) regulating the services provided by this Agreement. This section applies to an Account that is a pension or other employee benefit plan (a "Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If the Account is part of a Plan and we accept appointments to provide GCA's services to such Account, GCA acknowledges that it is a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services described in section 1 of this agreement). Client represents that (i) GCA's appointment and services are consistent with the Plan documents, (ii) Client has furnished GCA true and complete copies of all documents establishing and governing the Plan and evidencing your authority to retain GCA. Client further represents that he/she/it will promptly furnish GCA with any amendments to the Plan, and Client agrees that, if any amendment affects our rights or obligations, such amendment will be binding on GCA only with our prior written consent. If the Account contains only a part of the assets of the Plan, Client understand that GCA will have no responsibilities for the diversification of all the Plan's investments, and GCA will have no duty, responsibility or liability for the assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in the account, Client will obtain and maintain at his/her/its expense bonding that satisfies this requirement and covers GCA and any of our affiliates.

Either party may terminate the agreement at anytime by providing written notice to the other party requesting termination. The client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the client. Refunds will be given on a pro-rata basis.

If the Client is participating in the 401k Pension Consulting, Planning, and Participant Education service and Client terminates services within a calendar quarter, Advisor will prorate the Client's final bill based on the number of days within the quarter prior to termination.

If the Client is participating in the 401k Pension Consulting Only service this Agreement terminates upon presentation and/or implementation of the 401(k) plan. The Client and the Advisor may enter into a new and separate Agreement for a review of the Client's 401(k) plan.

**ADDITIONAL INFORMATION CONCERNING FEES** - In certain circumstances, advisory fees and account minimums may be negotiable based upon prior relationships as well as related account holdings. The fees charged are calculated as described above and are not charged on the basis of a share of capital gains or capital appreciation of the funds or any portion of the funds of an advisory client.

All fees paid to Advisor for investment advisory services are separate from the fees and expenses charged by mutual funds and exchange traded funds to their shareholders. These fees and expenses are described in each fund's prospectus. Such fees will generally include a management fee, other fund expenses and a possible distribution fee.

A client could invest in a mutual fund directly, without the services of Advisor. In that case, the client would not receive the services provided by Advisor which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to the client's financial condition, goals, and objectives. Accordingly, the clients should review both the fees charged by the funds and the fees charged by Advisor to fully understand the total amount of fees to be paid by the clients and to thereby evaluate the advisory services being provided.

Advisory recommendations are based on the client's financial situation at the time the services are provided and are based on financial information disclosed by the client to Advisor. Clients are advised that certain assumptions may be made with respect to interest and inflation rates and the use of past trends and performance of the market and economy. Past performance is in no way an indication of future performance. As the client's financial situation, goals, objectives, or needs change, the client must notify GCA promptly.

Advisor shall never have custody of any client funds or securities, as the services of a qualified and independent custodian will be used for these asset management services.

The fees charged are calculated as described above, and are 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 (15 U.S.C. §80b-5(a)(1)).

Advice offered by Advisor may involve investments in stocks, ETF's, hedge funds, private equities, managed futures, master limited partnerships, and some mutual funds. Clients are hereby advised that all fees paid to Advisor for investment advisory services are separate and distinct from the fees and expenses charged by stocks, ETF's, hedge funds, private equities, managed futures, and some mutual funds (described in each fund's prospectus) to their shareholders. These fees may include, but are not limited to, a management fee, upfront sales charges, and other fund expenses. The client should review all fees charged by money market funds, Advisor, and others to fully understand the total amount of fees to be paid by the client. Upon client's written authorization, fees will be automatically deducted from the account. Clients will be provided with a statement from account custodian reflecting deduction of the advisory fee. (NFS provides monthly statements and direct accounts receive quarterly statements.)

## **Performance-Based Fees & Side-by-Side Management**

Our firm does not accept performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client. Our firm is not involved in side-by-side management - that is when the same fund manager simultaneously manages accounts that are charged a performance fee and accounts that are not charged a performance fee. Please see section titled "Fees and Compensation" for details on how GCA is compensated for services.

## **Types of Clients** - Clients and offered services consist of the following types:

- Individuals – Advisory and consulting services
- Pension and Profit Sharing Plans
- Trusts, Estates & Charitable Organizations
- Businesses
  - Small Businesses/Corporations – 401(k) Plan Management
  - Large Companies – fiduciary consultation
  - Managed Pinnacle Account

Advisor's minimum account size is generally \$25,000. This amount may in certain circumstances be negotiable by Advisor.

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

Our method of analysis and investment strategy begins with an understanding of the client's personal goals and lifestyle. Each client is requested to complete an Investment Policy Statement (IPS), identifying their goals, risk tolerance and any special investment requests. They will be given a new IPS to complete and update annually. From information gained from the client, GCA will use the following analysis methods and tools to make investment decisions.

The security analysis methods we use consist of:

- Charting
- Fundamental
- Technical
- Cyclical

Information sources include:

- Financial newspapers and magazines
- Research materials prepared internally and externally
- Corporate rating services
- Annual reports, prospectuses and filings with the Securities and Exchange Commission
- Company press releases
- Various financial analysis on-line tools and resources made available via purchase of license to use software.

Investment strategies include:

- Long-term purchases (securities held at least 1 year)
- Short-term purchases (securities held < 1 year)
- Trading (securities sold within 30 days)
- Short sales
- Margin transactions
- Option writing, including covered options, uncovered options or spreading strategies.

## **Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

No investment advisor in our firm:

- 1) has been convicted of, or pled guilty or nolo contendere "no contest" to (a) any felony; (b) a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or (c) a conspiracy to commit any of these offenses;
- 2) is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses;
- 3) was found to have been involved in a violation of an investment-related statute or regulation; or was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, your firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

There have been no administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which our firm or a management person

- 1) was found to have caused an investment-related business to lose its authorization to do business; or
- 2) was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority:

- a. denying, suspending or revoking the authorization of our firm or a management person to act in an investment-related business;
- b. barring or suspending our firm's or a management person's association with an investment-related business;
- c. otherwise significantly limiting our firm's or a management person's investment-related activities; or
- d. imposing a civil money penalty of more than \$2,500 on our firm or a management person.

There are no self-regulatory organization (SRO) proceeding in which our firm or a management person

- 1) was found to have caused an investment-related business to lose its authorization to do business; or
- 2) was found to have been involved in a violation of the SRO's rules and was:
  - a. barred or suspended from membership or from association with other members, or was expelled from membership;
  - b. otherwise significantly limited from investment-related activities; or
  - c. fined more than \$2,500.

## **Other Financial Industry Activities & Affiliations**

No management persons are registered, or have an application pending to register, as a broker-dealer; however, all advisors at GCA are registered representatives of Triad Advisors - Broker-Dealer.

- 1) As licensed insurance agents, IARs may recommend to advisory clients a variety of insurance products, and may offer commissionable (non-variable or variable) insurance products to Advisor's clients for which compensation may be received.
- 2) No management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- 3) Our firm has no relationships or arrangements that are material to our advisory business or to our clients with an related persons listed below:
  - a) Municipal securities dealer
  - b) Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund" and offshore fund)
  - c) Other investment advisor or financial planner
  - d) Futures commission merchant, commodity pool operator, or commodity trading advisor
  - e) Banking or thrift institution
  - f) Accountant or accounting firm
  - g) Lawyer or law firm
  - h) Pension consultant
  - i) Real estate broker or dealer
  - j) Sponsor or syndicator of limited partnerships.
- 4) Our firm does not recommend or select other investment advisers for our clients

## **Code of Ethics**

### **Participation or Interest in Client Transactions & Personal Trading**

GCA and/or its representatives may buy or sell for their personal account(s) investment products identical to those recommended to clients. It is the expressed policy of GCA that neither GCA, nor its representatives may purchase or sell any individual stock or bond prior to a transaction(s) being implemented for an advisory account. This policy is meant to prevent GCA and/or its representatives from benefiting as a result of transactions placed on behalf of advisory accounts.

GCA has established the following restrictions in order to ensure its fiduciary responsibilities to clients are met:

- 1) Advisor's representatives shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by their role as an Investment Advisory Representative of Advisor,

unless the information is also available to the investing public on reasonable inquiry. In no case, shall Advisor's representatives prefer their own interest to that of their advisory clients **(1,2)**.

- 2) Advisor emphasizes the unrestricted right of its clients to decline to implement any advice rendered.
- 3) Advisor recognizes it must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.

#### Footnotes

(1) This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of Advisor's clients trade in sufficiently broad markets to permit transactions by clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with Advisor's records in the manner set forth above.

(2) Open-end mutual funds and/or the investment sub-accounts which may comprise a variable insurance product are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by Advisor are not likely to have an impact on the prices of the fund shares in which clients invest, and are therefore not prohibited by Advisor's Investment policies and procedures.

#### Insider Trading

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

## Brokerage Practices

Advisor may have discretionary authority to determine the securities to be bought or sold, amount of securities to be bought or sold, and broker or dealer to be used for client accounts. GCA may execute or recommend that clients execute their securities transactions through various firms including, but not limited to broker-dealers such as Triad Advisors, National Financial Services, LLC ("NFS"), a wholly owned subsidiary of the Fidelity Investments Group of companies and the Schwab Institutional division of Charles Schwab & Co., Inc. ("Schwab"), which are all registered broker-dealers with FINRA/SIPC. Currently GCA has directed all of its individual client's brokerage business through Triad and NFS. It isn't likely that this relationship will change in the foreseeable future.

These firms may charge commissions (ticket charges) for executing GCA's transactions. GCA does not receive any part of these separate charges which are assessed directly to clients. The only case where clients do not pay their own ticket charges are for wrap fee clients. NFS and Schwab do not have a role with respect to GCA's investment advisory accounts; however, they may serve as the broker-dealer in cases where clients wish to execute recommendation as part of the implementation of a financial plan. NFS and Schwab do not maintain supervisory relationships with respect to GCA or its representatives nor are they in any way affiliated with it. GCA is independently owned and operated.

GCA may recommend/require that clients establish accounts with NFS and/or Schwab to maintain custody of clients' assets and to effect trades for their accounts. NFS and Schwab may provide GCA with access to their institutional trading and custody services, which are typically not available to NFS and/or Schwab retail investors. NFS and Schwab's services include brokerage custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For GCA's Clients' accounts maintained in NFS and/or Schwab custody do not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees or securities trades that are executed through NFS and/or Schwab or that settle into NFS and/or Schwab.

NFS and/or Schwab also make available to GCA other products and services that may benefit GCA but which may not benefit its clients. These types of services will help GCA in managing and administering client accounts. These include software and other technology that provide access to client account data (i.e. trade confirmations and account statements); facilitate trade executions; provide research, pricing information, and other market data; facilitate in the payment of

GCA's fees from its clients' accounts; and assist with back-office functions, record-keeping, and client reporting. Many of these services may be used to service all or a substantial number of GCA's accounts.

## **Review of Accounts**

GCA periodically reviews individual client accounts and balances portfolios as part of our review. 401(k) accounts are reviewed quarterly with changes recommendations made to Plan Sponsors and implemented if approved. All non-401(k) clients have access to their accounts through on-line tools made available via the GCA website [www.guardianca.com](http://www.guardianca.com). 401(k) clients have access to their accounts through the MVP website.

## **Client Referrals & Other Compensation**

GCA does not receive compensation from any outside firm for providing investment advice or other advisory services to our clients. GCA does not compensate any person for client referrals.

## **Custody**

GCA does not custody any client assets. Clients will receive account statements from the broker-dealer, bank or other qualified custodian.

## **Investment Discretion**

Advisor may have discretionary authority to determine the securities to be bought or sold, amount of securities to be bought or sold, and broker or dealer to be used for client accounts.

## **Voting Client Securities**

*Proxy Voting* - Advisor does not vote proxies. Clients will receive their proxies or other solicitations directly from their custodian or a transfer agent.

## **Financial Information**

GCA may require prepayment for financial plans being prepared for clients. We do not foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. GCA has not been the subject of a bankruptcy petition at any time.



# FORM ADV PART II SUPPLEMENTS

February 4, 2013

THE FOLLOWING FIRM AND INDIVIDUALS ARE COVERED IN THIS SUPPLEMENT:

GUARDIAN CAPITAL ADVISORS, LLC  
MICHAEL J. HENSLEY  
JEFFREY D. LINK  
SUZANNE BARHAM  
BRANDON FENTRESS

**Guardian Capital Advisors, LLC**  
Michael J. Hensley, owner and managing member  
3948 Browning Place, Suite 200  
Raleigh, North Carolina 27609  
(919)782-7619  
[www.guardianca.com](http://www.guardianca.com)

## Educational Background & Business Experience

All individuals that render investment advisory services on behalf of GCA must have or be working towards a four-year college degree, graduate degree, or post-graduate degree and/or have substantive investment-related experience. In addition, all such individuals shall have attained all required investment-related licenses and/or designations.

An IAR of GCA must first be appropriately registered as a securities Registered Representative of Triad Advisors, Inc. GCA's affiliated securities broker-dealer. Listed below are the IAR's of GCA and their education and business background.

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### Michael Jay Hensley

**Y.O.B:** 1972

**Education and Business Background:** North Carolina State University, Raleigh, North Carolina, 1995, B.A. - Political Science

**Examinations:** Series 7 - 02/2000, Series 24 - 05/2000, Series 63 - 03/2000, Series 65 - 04/2001

**Other Professional Designations:** Certified Financial Planner – 11/2006, Chartered Financial Consultant – 10/2007, Chartered Retirement Plan Specialist – 09/2008, Accredited Investment Fiduciary – 11/2008. Accredited Investment Fiduciary Analyst (AIFA) – 2/2011.

**Business Background last 5 years:**

07/2009 to Present, Guardian Capital Advisors, LLC, Raleigh, NC - Managing Member & Chief Compliance Officer

07/2009 to Present, Triad Advisors, Inc., Norcross, GA - Registered Representative

03/2006 to 07/2009, Commonwealth Financial Network, Waltham, MA - Registered Representative/Investment Adviser Representative

03/2006 to 07/2009, Hensley Fentress Financial Services, Raleigh, NC - Financial Advisor

11/2000 to 03/2006, Capital Investment Group, Inc., Raleigh, NC - Registered Representative

12/1999 to 03/2006, Capital Investment Group, Inc., Raleigh, NC – Investment Adviser Representative

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### Jeffrey David Link

**Y.O.B.:** 1973

**Education:** State University at Buffalo, Buffalo, New York, 1995, B.S. – Business Administration, Concentrations in Finance and Marketing, Minor in Accounting

**Examinations:** Series 7 – 07/1996, Series 63 -06/1996, Series 65 – 08/1996, Series 31 – 11/2006

**Other Professional Designations:** N/A

**Business Background 5 Years:**

02/2010 to present - Guardian Capital Advisors, LLC, Raleigh, N.C., Financial Advisor

02/2010 to present - TRIAD Advisors, Inc., Norcross, Georgia, Registered Representative

11/2004 to 02/2010 - Stifel, Nicolaus & Co., Inc., Raleigh, N.C. Financial Advisor

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### Suzanne Gidding Barham

**Y.O.B:** 1971

**Education:** North Carolina State University, Raleigh, North Carolina 1995, B.A. – Accounting

**Examinations:** Series 7 - 1996, Series 63 – 1996, Series 65 -2003

**Other Professional Designations:** Certified Divorce Financial Analyst, 5/2009, Accredited Investment Fiduciary, 12/2010

**Business Background last 5 years:**

05/10 to Present, Guardian Capital Advisors, LLC, Raleigh, NC - Investment Adviser Representative

09/2006 to 05/2010 - Merrill Lynch, Durham, N.C., Financial Advisor

01/2003 – 09/2006 - Merrill Lynch, Raleigh, N.C., Financial Advisor

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**Brandon Duke Fentress**

**YOB:** 1963

**Education:** University of North Carolina – Chapel Hill, BA History, 1996

**Examinations:** Series 7 – 4/2010 , Series 63 – 4/2010

**Other Professional Designations:** None

**Business Background:**

5/2010 to Present – Guardian Capital Advisors, LLC – Investment Advisor Representative

5/1997 to 7/2009 – Nortel Networks, Raleigh, NC – Account Development, Pricing and Compliance

## **Disciplinary Information**

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management. See ADV Part II Item 9 for additional details and further clarification.

## **Other Business Activities**

As licensed insurance agents, IARs may recommend to advisory clients a variety of insurance products, and may offer commissionable (non-variable) insurance products to Advisor's clients for which compensation may be received.

All GCA IARs are registered principals/representatives of TRIAD and they will sell securities products while acting in this capacity. Additionally, IARs of GCA will sell insurance products not involving securities and will receive commissions as a result of such sales. Generally, IARs of the firm spend a portion of their time offering services in their registered representative and insurance agent capacities. Representatives and principals of GCA are associated persons of TRIAD, a registered full service general securities broker-dealer with the Securities and Exchange Commission ("SEC"), a registered investment adviser, a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and various other regulatory bodies. TRIAD may provide brokerage services to one or more of the third-party advisers to whom GCA refers clients and, in this capacity, TRIAD may receive brokerage fees for transactions completed on behalf of clients of GCA, a portion of which may be paid to client's representative. IARs of GCA, as registered representatives of TRIAD, will be compensated on the normal and customary commission schedule, including 12b-1 fees for the sale of investment company products.

Triad Advisors, Inc. has fully disclosed clearing arrangements with National Financial Services, LLC (NFS), a wholly owned subsidiary of the Fidelity Investments Group of companies. As a fully disclosed broker-dealer, TRIAD may take custody of clients' funds or securities for transmittal only.

Insurance: LTC & Life

## Additional Compensation

IARs are registered principals/representatives of TRIAD and they will sell securities products while acting in this capacity. Additionally, IARs of GCA will sell insurance products not involving securities and will receive commissions as a result of such sales. Generally, IARs of the firm spend approximately 5% of their time offering services in their registered principal/representative and insurance agent capacities.

Representatives and principals of GCA are associated persons of TRIAD, a registered full service general securities broker-dealer with the Securities and Exchange Commission ("SEC"), a registered investment adviser, a member of the Financial Industry Regulatory Authority, Inc. ("FINRA") and various other regulatory bodies. TRIAD may provide brokerage services to one or more of the third-party advisers to whom GCA refers clients and, in this capacity, TRIAD may receive brokerage fees for transactions completed on behalf of clients of GCA, a portion of which may be paid to client's representative. IARs of GCA, as registered representatives of TRIAD, will be compensated on the normal and customary commission schedule, including 12b-1 fees for the sale of investment company products.

Triad Advisors, Inc. has fully disclosed clearing arrangements with National Financial Services, LLC (NFS), a wholly owned subsidiary of the Fidelity Investments Group of companies. As a fully disclosed broker-dealer, TRIAD may take custody of clients' funds or securities for transmittal only.

## Supervision

Michael J. Hensley is the owner and managing member of GCA and is ultimately responsible for monitoring the advice provided by the IARs of the firm. All IARs are presented and required to sign a Code of Ethics upon joining the firm. Trade logs are maintained on a daily basis and are reviewed to ensure no trading is occurring that would be in violation of the Code of Ethics. Fingerprinting and background checks are completed on all employees upon joining the firm.

Contact information for person responsible for supervising advisory activities of all IARs:

**Guardian Capital Advisors, LLC**  
Michael J. Hensley, owner and managing member  
3948 Browning Place, Suite 200  
Raleigh, North Carolina 27609  
(919)782-7619  
[www.guardianca.com](http://www.guardianca.com)