



## **DISCLOSURE BROCHURE**

September 3, 2013

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This Disclosure Brochure provides information about the qualifications and business practices of ThirtyNorth Investments, LLC, which should be considered before investing. Please contact Margaret Blair Duquesnay, if you have any questions about the contents of this brochure.

The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Administrator.

ThirtyNorth Investments, LLC is a registered investment advisor. The words "registered investment advisor" are not meant to imply any skill or training but is common language used to describe a type of business in the investment management industry in the United States.



## **Item 2   Material Changes**

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an advisor's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes. Generally, we will notify clients of material changes on an annual basis. However, where we determine that an interim notification is either meaningful or required, we will notify our clients promptly. In either case, we will notify our clients in a separate document.

An amendment to the Form ADV was filed on August 29, 2013 to disclose the firm's new ownership. Effective August 9, 2013 the firm became 100% owned by Advisean Partners, LLC. Advisean Partners, LLC is 100% owned by Suzanne Mestayer. In addition the new Chief Compliance Officer of ThirtyNorth Investments, LLC, is Margaret Blair Duquesnay.



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#### Item 4 Advisory Business

ThirtyNorth Investments, LLC (hereinafter referred to as “the Company”, “we”, “us” and “our”) was founded in 1997. The Company is organized under the laws of the state of Louisiana. Advisean Partners, LLC (“Advisean”), is 100% owner of the Company. Suzanne T. Mestayer is majority owner of Advisean and is the Chief Executive Officer of the Company.

#### Mission Statement

The mission of the Company is to expertly build and maintain value for individuals, businesses and institutions by managing their investments with their best interests in mind.

#### Services Offered

The Company serves as an institutional consultant or discretionary money manager for institutions, retirement plans, trusts, and individuals all of whom are collectively referred to as the “client”.

- 1) Institutional Consultant - The Company offers customized services to meet the diverse needs of institutional clients. The company offers review and recommendations on investment policies, asset allocation analysis, investment manager search and evaluation, ongoing performance measurement, and rebalancing analysis as well as ancillary services as needed by clients.
- 2) Discretionary Money Manager
  - A) ETF Account - investments include ETFs, ETNs and cash in a globally diversified allocation with a bias towards lower priced securities. A macro technical analysis for overall markets is used to assist with determining points of entry or exit of stock markets for a portion of accounts. (6 risk based models available)
  - B) Combination Account - investments may include a combination of ETFs, ETNs, mutual funds, individual securities and cash in a globally diversified allocation similar to the ETF accounts. (6 risk based models available)
  - C) Retirement Account –
    - i. Traditional - retirement accounts utilizing the services described above in A) ETF Accounts



and B) Combination Accounts


- ii. Insured Lifetime Income - retirement income accounts using exchange traded funds and notes ("ETF or ETN") and cash within insurance company defined thresholds to invest retirement assets for a lifetime income stream. Insurance provided by insurer not affiliated with the Company (4 model portfolios described in section below regarding models).

We have the following models available for most of the 401(k) and 403(b) plans as well as all of the accounts in which we act as a discretionary money manager (except Insured Lifetime Income accounts):

- Aggressive - globally diversified mixture of equity type investments for long term investors
- Moderately Aggressive - similar to Aggressive but with 20% or more of fixed income type investments
- Moderate - similar to Aggressive but with 40% or more of fixed income type investments
- Moderately Conservative - globally diversified mixture of fixed income type of investments for long-term investors with 40% or less exposure to equity type investments
- Conservative - globally diversified mixture of fixed income type of investments for long-term investors with 20% or less exposure to equity type investments
- Conservative Plus - globally diversified mixture of fixed income investments

Insured Lifetime Income accounts have the following 4 models available:

- 80/20 – globally diversified mixture of equity and fixed income type investments for long term investors with no more than 80% in equities
- 70/30 – globally diversified mixture of equity and fixed income type investments for long term investors with no more than 70% in equities
- 60/40 – globally diversified mixture of equity and fixed income type investments for long term investors with no more than 60% in equities

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- 50/50 – globally diversified mixture of equity and fixed income type investments for long term investors with no more than 50% in equities

We understand the importance of trying to help match a client with the correct type of account for our managed account solutions and the best model portfolio for their situation. We inquire about background, needs, risk tolerance and tax situation of prospective clients. Ultimately the client chooses the model that is best for them and their circumstances. We manage the investments for them in the same manner our staff manages their own investments.

Investments in the models are generally going to remain within 0-20% of the equity/ fixed income percentages listed above. We regularly make tactical changes to models based on where we see the most value globally or through technical signals on overall markets.

### Strategy

Discretionary money manager role - Building and maintaining investment models starts and continues with research on global economics, markets, and historical information. The information comes from a variety of sources including books, periodicals, websites, blogs, wire-houses, mutual fund companies, conference calls and in person meetings at conferences and due diligence meetings. For Combination Accounts that use active managers - managers are screened on-line, on the phone, and then in-person, preferably at their office. We believe in the importance of knowing the active managers, their staff, where they operate, and other intangibles. We may slightly overweight or underweight model portfolios to stock or bond types of investments based upon our thoughts on the direction of stock or bond markets and technical analysis. This may lead to underperformance for the client or additional risk.

There are many investment management styles that we do not use when managing client portfolios but which may be beneficial to the client individually.



### **Financial Planning Services**

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to us. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

### **Assets Under Management**

The assets under management for ThirtyNorth Investments, LLC total approximately \$179,715,739.74 (balances on accounts currently managed as of July 31, 2013). The majority of these assets are held at four different custodians.

The remainder of the assets under management includes assets that the Company may or may not have discretionary authority over and which are sometimes held direct at custodians in which we may or may not have an agreement to take fees. The investments in these accounts are reviewed occasionally by the Company and at times the owner of the account(s) or participants in the retirement plan accounts, communicate with Company or vice versa to discuss the investments.



The majority of accounts that are held with the five main custodians, are discretionary and total \$ 69,698,436.60. The accounts that are non-discretionary include 401(k) participant accounts, defined benefit assets and assets held outside of the four main custodians that we help monitor and maintain. Asset totals are calculated using end of month figures downloaded from custodians' websites and quarterly paper statements for a few smaller custodial relationships.

Discretionary accounts are those where the client has given specific written authorization to the Company to select securities and execute trades on behalf of that client without obtaining prior consent. Discretion is convenient for busy clients and enables the Company to more efficiently manage investments.

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

The majority of investment options we use in our role as discretionary money manager have no trading costs or commissions associated with them but many of them do have their own internal management costs which varies by investment vehicle. The most expensive weighted average internal expenses for investments in models held in brokerage accounts as of 10/18/2012 are:

- ETF Account models - 0.33% per year
- Combination Account models - 1.06% per year
- Retirement Income Account models - 0.24% per year (the following is charged by insurance provider for retirement income guarantee in addition to this charge and the Company charge outlined below in Retail Account Balance Annual Fee section)
  - 80/20 Model - 1.75% or less
  - 70/30 Model – 1.35% or less
  - 60/40 Model – 1.15% or less
  - 50/50 Model – 1.00% or less

The most expensive weighted average internal expenses for models with investments in non-brokerage accounts is 0.86% per year but varies across custodian (TIAA CREF, TransAmerica, First Mercantile, and others).

Disclosure documents provided by ETF/ETN companies, mutual fund





companies, annuity providers, and through the custodians' online access for clients and/or that are mailed to clients outline annual fees charged. In brokerage accounts we commonly utilize exchange traded funds or notes that can be purchased and sold without trading costs but our primary custodian, TD Ameritrade Institutional, has a window in which \$19.99 is charged per trade for shares of an ETF/ETN purchased if shares of the same ETF/ETN are then subsequently sold within 30 days. For this reason, we encourage clients to give us 40 days notice for withdrawals to give us a cushion for settlement and ACH of funds to avoid incurring a \$19.99 ticket charge per ETF/ETN sold. The client is responsible for ticket charges for ETF/ETN trades if applicable.

In addition to the internal expenses and possible trading costs mentioned above, the Company's fees for Client accounts are as follows:

Retail Account Balance Annual Fee (charged monthly)

First \$1,000,000	1.00%
Next \$1,000,000 to \$2,499,999.99	0.75%
Next \$2,500,000 to \$4,999,99.99	0.50%
Next \$5,000,000 plus	0.35%

For accounts opened prior to 1/1/2012, pre-existing fee schedules may still apply.

ThirtyNorth Investments, LLC is a licensed insurance agency and some persons providing investment advice on behalf of our firm are licensed as independent insurance agents. ThirtyNorth Investments, LLC and these persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

The Company is not compensated for offering the retirement income insurance on accounts mentioned above in Services Offered and Fees and



## Compensation

As mentioned above, all investment options in client accounts have internal annual expenses charged by the ETFs, mutual funds or similar type investment options. These expenses vary from fund to fund and are part of the consideration by the Company when building portfolio models. Also, annuity accounts have mortality and expense charges (example: .55% per year for Monumental Life).

Our main custodian, TD Ameritrade Institutional, does not charge annual fees for retirement accounts or a fee for closing an account. But, other custodians sometimes charge annual account costs that are in addition to the annual internal fund expenses charged by mutual funds and similar investments.

Clients may be able to buy a portfolio of the same or similar ETFs, mutual funds or similar type of investments on their own without incurring a fee for managing such. Some of the investments the Company uses would ordinarily be commissionable products if not purchased through the Company.

### 401(k) and 403(b) Plans

The charges for 401(k) and 403(b) accounts vary by plan. In general, the higher the average participant account balance, the lower the fee charged by the Company. Record Keepers, Administrators, and Custodians charge fees in addition to the Company's and some of them share in the annual expenses charged for each investment option.

### Other

Regardless of where an account is held for a client, the Company is not compensated based on the expenses of an investment option. The Company is only compensated for managing accounts directly by the client and our incentive is to grow and protect assets since our fee is based on the balance of client accounts.

The Company's fees are negotiable. We are able to deduct our fee from most accounts on a monthly basis, and in most cases, fees are charged in advance (exceptions are TIAA CREF and First Mercantile accounts). The Company's fees are not charged until the beginning of the month and



therefore any period of time between the opening of an account and the beginning of the next month period there are no fees charged. There are no refunds of fees charged if an account is closed in the same month a fee is charged.

#### **Item 6 Performance Based Fees**

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

#### **Item 7 Types of Clients (Account Minimums and Custodians)**

The Company does not have any set account minimums and we encourage everyone to save for retirement or other goals. In some cases we dissuade potential clients from investing if they do not have sufficient assets set aside for emergencies. In general, we prefer any IRA or Roth IRA accounts to have at least \$5,000 to start or a scheduled regular deposit. Also, for businesses looking to add a retirement plan, in many cases we may discourage creation of a new 401(k) plan based on third party total costs initially and may offer another solution until total assets in the plan reach a threshold where it makes more economical sense for the business and its participants. Also, some custodians have minimums which we must abide by when opening new accounts.

Types of Clients include individuals, businesses, corporate retirement plans, non-profit institutions and others.

Our current list of custodians include:

TD Ameritrade - ("TD") - retail client accounts (Individual Taxable, Joint Taxable, IRA, Roth IRA, Custodial, Trust, and some Corporate Retirement Plans), 401(k)/403 (b) plan accounts and institutional accounts can be held and maintained at TD. TD offers us the ability to create model portfolios of mutual funds and exchange traded funds that we can trade on behalf of the client with \$0 in transaction fees or commissions (see section above on fees



regarding short-term redemption fees on ETFs). We will continuously review our relationship with TD compared with other custodians that offer similar arrangements. Since ultimately our costs are related to our clients' costs, all aspects of trading, maintenance, research, technology, service and other aspects involved with managing our model portfolios are taken into consideration.

First Mercantile ("FM") - Corporate retirement plan clients' 401(k) assets can be held at FM. FM offers us the ability to create and maintain models of pooled collective trust investments with no trading costs for purchasing/selling the investment options within a model or account. These investment options are non-proprietary and provide for a good pool of fund managers from which to choose as well as DFA investment options. The models make it easy for participants to have their retirement dollars managed but they can also pick their own investments from a list of 30+ individual non-model choices that we review. First Mercantile also has an investment committee that provides an additional layer of oversight on individual investment options.


Monumental Life Insurance Company ("ML") - ML offers a no-load non-qualified annuity for our clients that may benefit from this type of an account. The minimum investment is \$10,000. ML offers us the ability to create and maintain models of sub accounts inside the annuity contract including proprietary (Transamerica investment options) and non-proprietary choices including DFA funds. They offer a contract that has no commissions or trading costs when we trade investment options in the account.

#### TIAA CREF

Teachers Insurance and Annuity Association and College Retirement Equities Fund ("TIAA CREF") - Some clients are employed by a university or other organization that utilizes TIAA CREF as an optional custodian for retirement plan assets. TIAA CREF offers us the ability to create and maintain models of investment options that include both proprietary and non-proprietary choices. They offer a contract that has no commissions or trading costs when we trade investment options in the account.

#### Other Custodians

There are other custodians that we don't have agreements with to run our



models or take our fees but hold client assets. The Company assists clients with assets held at these "other" custodians because it may not be possible or practical to move the assets due to reasons beyond our control or because of a client request.

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

Our methods for analysis are broken down into three parts:

- 1) Global Economics and Markets;
- 2) Technical analysis of broad markets
- 3) Funds (or similar investments) that we wish to add to models.

For more information on our analysis and strategies, please refer to "Services Offered" and "Strategies" above from pages 4 -7.

All of the investment portfolio models that we manage for clients involve the potential risk of loss of principal. We do not offer guarantees on any investments that we manage but we can assist Client with obtaining lifetime retirement income insurance on some accounts. Of course, the more conservative investment portfolio models are intended to carry less of a risk of loss in the short-term, but even these models can lose value on any given day. If a client wants guaranteed principal products we generally refer them to a financial institution that offers those types of accounts. Specific risks that could affect the value of accounts include but are not limited to: business risk - The risk of the business invested in performing poorly; currency risk the risk of fluctuating exchange rates.; inflation risk - the risk of loss of purchasing power due to the increase in costs over time due to rising prices.; interest rate risk - the risk of rising interest rates for an income producing investment; liquidity risk - the risk associated with trying to close out a position; market risk (systemic risk) - the risks associated with the overall market; and regulatory risk - the risk of a change in laws and regulation on the investment.

#### **Item 9 Disciplinary Information**

Neither the Company nor any of its principals or employees have any disciplinary history to report.

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

Suzanne T. Mestayer is a CPA - inactive. Fritz Gomila is a member of GF



Group, LLC, a holding company with investments in real estate and a private equity fund but he receives no compensation other than growth of value in investment.

In addition to being registered as an investment adviser, our firm is also licensed as an insurance agency. Therefore, some persons providing investment advice on behalf of our firm are licensed as insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the *Fees and Compensation* section in this brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

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

The Company's Code of Ethics is written to assist with maintaining an atmosphere of disclosure to avoid any potential conflicts of interests with clients and compliance with applicable securities laws. The Company reviews personal securities transactions of all staff members and prohibits many transactions that could potentially create an appearance of a conflict of interest with clients. With the exception of legacy investments, staff members have all of their investment assets in a model portfolio run by the Company including brokerage accounts, annuities, 401(k) accounts all in the same model portfolios as our clients, and the Company encourages any new hires to open accounts with the Company. We are aligned with our clients. If a staff member of the Company has an account that is not managed by the Company, such account is closely scrutinized so as to not conflict with client interests.

#### **Item 12 Brokerage Practices**

As mentioned above in "Account Minimums and Custodians", we work with several different custodians depending on the type of account the client needs or has. Since we mainly use ETFs, mutual funds or similar type investments to run our models for clients, there is no "better" pricing as far as the underlying investments but TD Ameritrade Institutional does have best execution analysis available. Part of the formula for choosing custodians for clients includes an analysis of the list of no transaction fee ("NTF") ETFs and mutual funds available. Some custodians carry more NTF vehicles than




others but may not have the best overall mixture of technology, customer service, costs, etc. that goes into a good overall package for clients and the Company. Custodians vary in the minimum amount of assets under management they require from registered investment advisors such as the Company and therefore it is not feasible in many cases to open accounts for clients at multiple custodians. Costs increase for the Company and efficiency drops as more custodians are added. The Company may have a conflict of interest with a client in that some clients may benefit from having one particular custodian over another for certain reasons such as the list of NTF funds is larger at one or there is no annual fee for retirement accounts at another, etc. We must make a decision that is best for all clients on custodial relationships instead of on an account by account basis.

Advisor participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. (“TD Ameritrade”) member FINRA/ SIPC/NFA. TD Ameritrade is an independent [and unaffiliated] SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the program.

#### Additional Services

The Company receives from TD Ameritrade certain additional economic benefits (“Additional Services”) that may or may not be offered to any other independent investment advisors participating in the program. Specifically, the Additional Services include reimbursement for a portion of the expenses related to Advent Black Diamond Performance Reporting portfolio management/billing/reporting software. TD Ameritrade provides the Additional Services to us in its sole discretion and at its own expense, and we do not pay any fees to TD Ameritrade for the Additional Services. We and TD Ameritrade have entered into a separate agreement (“Additional Services Addendum”) to govern the terms of the provision of the Additional Services. Our receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to us, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with us, in its sole discretion, provided certain conditions are met. Consequently, in order to



continue to obtain the Additional Services from TD Ameritrade, we may have an incentive to recommend to our Clients that the assets under management by us be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. Our receipt of Additional Services does not diminish our duty to act in the best interests of our Clients, including to seek best execution of trades for Client accounts. Occasionally a mutual fund company, custodian, or other vendor which the Company may or may not utilize may provide indirect compensation in the form of complimentary research, hotel rooms for conferences, educational seminars for products or other minor assistance. The total amount of any and all indirect compensation represents a minimal percentage of revenue and does not influence the Company when making decisions of where to invest client assets. If indirect compensation could appear to be influential in any decisions made on investments, such compensation would be refused by the Company. We strictly work in the best interests of our clients.

### **Item 13 Review of Accounts**

Client accounts are reviewed on a day-to-day basis for contributions, distributions and other issues which may impact the relationship of the account to its specified model. Blair Duquesnay conducts most of the daily reviews on accounts.

Models are reviewed daily for performance and adjustments to models are made as frequently as quarterly and at least annually. The investment vehicles inside the models are reviewed daily for changes in management or other such issues that would put the fund on a watch list. Blair Duquesnay conducts most of the daily reviews on models.

Clients should notify the Company promptly of any changes to the client's financial goals, objectives or financial situation as such changes may require a review of the portfolio and make recommendations for changes.

Clients receive detailed monthly or quarterly statements of account activity, holdings and values, as well as confirmations of purchases and sales from qualified, independent custodians.

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

The Company has entered into written arrangements to pay a percentage of






the Company's advisory fee as referral fees to individuals or companies ("solicitors") who recommend clients to the Company. There is a written agreement between the Company and each solicitor which clearly defines the duties and responsibilities of the solicitor under this arrangement. In addition, each solicitor is required to provide a written disclosure document, which explains to the prospective client the terms under which the solicitor is working with the Company and the fact that the solicitor is being compensated for the referral activities. The solicitor is also required to furnish a copy of the Company's written disclosure document (this document) to the prospective client and obtain a written acknowledgement from the client that both the solicitor's and Company's disclosure documents have been received. Fees charged to clients that are the product of a referral from a solicitor are the same as those not referred from a solicitor.

Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD



Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

#### **Item 15 Custody**

The Company does not retain custody of any client assets. The main custodians we utilize for clients are discussed in "Account Minimums and Custodians" section above. As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. This ability to deduct our advisory fees from your accounts causes our firm to exercise limited custody over your funds or securities. We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other qualified custodian. You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy.

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

The Company receives written discretion authority from most new clients when accounts are opened with the exception of 401(k) plan participants and a few other accounts at "other" custodians than ones names above. Discretion is limited to trading accounts in accordance with our model portfolios and does not allow for any distributions, transfers, or other non-trading actions in accounts. The ability of the Company to make trades in accounts without obtaining prior consent from clients is critical in the effective and efficient management of model portfolios for clients. Since the Company is not compensated for trading securities in client accounts, there is no incentive to trade other than to do what is best for the client.



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

The Company neither votes proxies for clients, nor provides advice to clients about how to vote proxies. The custodians send proxies directly to clients for voting and the Company does not take instructions from clients for voting.

### **Item 18 Financial Information**

The Company does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$500 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

#### **Additional Information**

**Trade Errors** In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account. If a trade error results in a profit, you may or may not keep the profit depending upon the custodian.

**Class Action Lawsuits** We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

### **Item 19 Requirements for State-Registered Advisers**

Please refer to the Form ADV Part 2B brochure supplements for additional background information about our investment adviser representatives.

Our firm is not actively engaged in any business other than giving investment advice.

Neither our firm, nor any persons associated with our firm are compensated for advisory services with performance-based fees. Please refer to the



“Performance-Based Fees and Side-By-Side Management” section above for additional information on this topic.

Neither our firm, nor any of our management persons have any reportable arbitration claims, civil, self-regulatory organization proceedings or administrative proceedings.

Neither our firm, nor any of our management persons have a material relationship or arrangement with any issuer of securities.

## **Item 20 Additional Information**

### **Privacy Policy**

The Company is committed to maintaining the confidentiality, integrity and security of personal information about our current and prospective clients. We consider customer privacy to be fundamental to our relationship with clients. It is therefore our policy to respect the privacy of current and former clients and to protect personal information entrusted to us. This policy describes the steps we have taken to safeguard your information and what client information we may share with others. We are proud of our privacy practices and want you to know how we protect information used to provide you with service. You do not have to contact us to benefit from our privacy protections; they apply automatically to all of our clients.

#### **Information We Collect and Maintain:**

We collect and discriminately share with others the following types of personal information about you:

- Information we receive from you to open an account or provide investment advice to you (such as your home address, telephone number, Social Security or taxpayer identification number, e-mail address, age, marital status, assets, and income financial information);
- Information that we generate to service your account (such as trade tickets and account statements); or
- Information that we may receive from third parties with respect to your account (such as trade confirmations).

#### **Information We Disclose:**

We will not disclose any Non-public Personal Information about you or your account(s) to anyone unless one of the following



conditions is met:

- Firm receives your prior written consent;
- Firm believes the recipient is your authorized representative;
- Firm discloses your Non-public Personal Information as necessary to effect or process a transaction in any account, or to maintain or service your account(s);
- Firm is required by law to disclose information to the recipient.

In all such situations, we stress the confidential nature of information being shared.

We may share your personal information with:

- Non-affiliated companies that provide processing, account maintenance and related services in connection with your investments and other transactions handled by us; and
- Non-affiliated companies and government agencies only to the extent permitted or required by law, for legal, regulatory or other purposes (for example, for tax purposes or for reporting suspicious transactions).

How We Protect Personal Information:

We maintain the confidentiality, security and integrity of your non-public personal information by:

- Restricting access to your Non-public Personal Information to those employees with a legitimate need for the information; and
- Maintaining physical electronic and procedural safeguards that meet or exceed federal and industry standards governing how Non-public Personal Information should be stored. We have not and will not sell your personal information anyone, even if our formal client relationship ends.

Privacy Policy Update:

From time to time, we may amend our privacy policy. You will receive appropriate notice when our privacy policy changes. The Company will send its Clients a current privacy policy at least once a year.

How to Contact us with Privacy Questions:

The policies and practices listed above apply to both current and former clients.



Our relationship with you is one of our most vital assets. We recognize that you have entrusted us with your private financial information, and we will do our utmost to maintain this trust. For additional questions concerning our privacy policy, please contact Blair Duquesnay at 504-528-3685.