



**PART 2A OF FORM ADV:
FIRM BROCHURE**

Item 1. Cover Page

Dated 09/02/2013
Version 2

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D/b/a PRIVATE CLIENT GROUP

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This brochure provides information about the qualifications and business practices of Private Client Group. If you have any questions about the contents of this brochure, please contact by telephone or e-mail. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Authority.

Additional information about Private Clients, LLC also is available on the SEC's website at www.adviserinfo.sec.gov .

Please note that the use of the term "registered investment adviser" and description of Private Clients Group and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

Item 2. Material Changes

Private Client Group is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the cover page of our Brochure or on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

Our last update to Part 2A of Form ADV (“Firm Brochure”) and Part 2B of Form ADV (“Supplement Brochure”), dated July 10, 2013. This version of Part 2A of Form ADV (“Firm Brochure”) and Part 2B of Form ADV (“Supplement Brochure”) is dated September 2, 2013. As you will see, this document is narrative format. Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Firm Brochures within 120 days of the close of our business’ fiscal year. Furthermore, we will provide you with other interim disclosures about material changes as necessary. This Firm Brochure is a newly formatted disclosure document and has been prepared by GFS, Inc. (“GFS”) in accordance with recently enacted SEC rules and requirements.

Whenever you would like to receive a complete copy of our Firm Brochure and/or Supplemental Brochure, please contact Richard L Oxford by telephone at 480-951-1340 or by email at roxford8@cox.net

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Item 4. Advisory Business

We specialize in the following types of services: Asset Management and financial planning and consulting, referrals to third party money managers and Financial and Investment Seminars. Our assets under management are \$121,000,000 as of 09/02/2013.

A. Description of our advisory firm, including how long we have been in business and our principal owner(s)¹.

GFS, Inc. (“GFS” or the “Firm”) is an investment management firm that is registered with the Georgia Division of Securities and Business Regulation and the State of Arizona Corporation Commission Securities Division as an investment adviser. It is doing business as Private Client Group. GFS is organized as a Georgia Corporation that was founded in 2012. GFS is a wealth management firm that provides selection of advisory programs or services directed by third party investment advisory firms.

Principal Owner: Richard L Oxford is the sole principal owner and owns 100% of the Firm. Mr. Oxford is also an Investment Adviser Representative for the firm.

B. Description of the types of advisory services we offer.

(i) Asset Management:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds (“ETFs”), options, mutual funds and other public and private securities or investments. The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

¹ Please note that: (1) For purposes of this item, our principal owners include the *persons* we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

(ii) Financial Planning and Consulting:

We provide a variety of financial planning and consulting services 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, Corporate and Personal Tax Planning, Cost Segregation Study, Corporate Structure, Real Estate Analysis, Mortgage/Debt Analysis, Insurance Analysis, Lines of Credit Evaluation, Business and Personal Financial Planning.

Our written financial plans or financial consultations rendered to clients 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. It should also be noted that we refer clients to an accountant, attorney or other specialist, as necessary for non-advisory related services. For written financial planning engagements, we provide our clients with a written summary of their financial situation, observations, and recommendations. For financial consulting engagements, we usually do not provide our clients with a written summary of our observations and recommendations as the process is less formal than our planning service. Plans or consultations are typically completed within six (6) months of the client signing a contract with us, assuming that all the information and documents we request from the client are provided to us promptly. Implementation of the recommendations will be at the discretion of the client.

(iii) Referrals to Third Party Money Managers:

We provide clients with a list of investment advisory services of third party professional portfolio management firms for the individual management of client accounts. As part of this process, we assist clients in identifying an appropriate third party money manager. We provide initial due diligence on third party money managers and ongoing reviews of their management of your account.

In order to assist clients in the selection of a third party money manager, we typically gather information from the client about their financial situation, investment objectives, and reasonable restrictions they can impose on the management of the account, which are often very limited. It is important to note that we do not offer advice on any specific securities or other investments in connection with this service. Investment advice and trading of securities is only offered by or through the third party money managers to clients.

The third-party manager will be granted discretionary trading authority to provide investment supervisory services for that portion of the Client's portfolio allocated to that particular third party money manager. Under this arrangement, GFS does not make any custody arrangements for client's funds and securities. The money managers will trade independently of one another. There can be no assurance that the trading strategies employed by a third party money manager will be successful.

We periodically review third party money managers' reports provided to the client, but no less often than on an annual basis. Our associates contact the clients from time to time, as agreed to with the client, in order to review their financial situation and objectives; communicate information to third party money managers as warranted; and, assist the client in understanding and evaluating the services provided by the third party money manager. The client will be expected to notify us of any changes in his/her financial situation, investment objectives, or account restrictions that could affect their account. The client may also directly contact the third party money manager managing the account or sponsoring the program.

Clients are encouraged to obtain and carefully review the contracts and disclosure documents, including Form ADV Part 2A, of the third party money managers whose services they are considering so they understand fully the services being provided and the fees being charged. The services, reports and contract termination provisions provided by these programs vary as do the costs. We encourage our clients to compare programs. GFS at all times retains the authority to terminate the relationship with the third-party money manager or to add a new third-party money manager without specific client consent. GFS's role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the third party manager, and to assist the client in understanding the investments of the portfolio.

Third party investment advisory programs generally consist of three types:

(a) Hanlon Investment Management, Inc.: Hanlon Investment Management is an investment adviser registered with the Securities and Exchange Commission ("SEC"). It offers our clients' wealth management solutions across a wide range of product offerings. All of the services and programs are described in detail in Hanlon Investment Management's Brochure 2A, which will be delivered to Clients who are referred to Hanlon Investment Management.

(b) Parallel Trading Group, Inc.: Parallel Trading Group, Inc. is registered with the Commodity Futures Trading Commission (the "CFTC") and the National Futures Association (the "NFA") as a Commodity Trading Adviser ("CTA"). It offers our clients wealth management solutions with respect to futures and options product offerings. All of the services and programs are described in detail in Parallel Trading Group's Disclosure Document, which will be supplied to our Clients who are referred to Parallel Trading Group.

(c) **Precedo Fund, LP:** Precedo Fund, LP is a filed Regulation D fund registered with the SEC. It offers our clients access to Long/Short strategies and private equity investments. All of the services and programs are described in detail in Precedo Fund, LP's Disclosure Document, which will be supplied to our Clients who are referred to the fund.

GFH is not affiliated with Hanlon Investment Management, Inc., Parallel Trading Group, Inc. or Precedo Fund LP. All funds are independent third party money managers.

C. Explanation of whether (and, if so, how) we tailor our advisory services to the individual needs of *clients*, whether *clients* may impose restrictions on investing in certain securities or types of securities.

(i) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing our Asset Management services. Additionally, we offer general investment advice to clients utilizing the following services offered by our firm: Financial Planning and Referrals to Third Party Money Manager.

(ii) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. In the rare instance that we would allow restrictions, it would be limited to Asset Management. We do not manage assets through our other services.

D. Participation in *wrap fee programs*.

We do not offer wrap fee programs.

E. Disclosure of the amount of *client* assets we manage on a *discretionary basis* and the amount of *client* assets we manage on a *non-discretionary basis* as of 12/31/2010.

We manage² \$52,000,000 on a discretionary basis and \$69,000,000 on a non discretionary basis as of 09/02/2013.

² Please note that our method for computing the amount of "*client* assets we manage" can be different from the method for computing "assets under management" required for Item 5.F in Part 1A of Form ADV. However, we have chosen to follow the method outlined for Item 5.F in Part 1A of Form ADV. If we decide to use a different method at a later date to compute "*client* assets we manage," we must keep documentation describing the method we use and inform you of the change. The amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our *Brochure* in response to Item 4.E of Form ADV Part 2A.

Item 5. Fees and Compensation

We are required to describe our brokerage, custody, fees and fund expenses so you will know how much you are charged and by whom for our advisory services provided to you. Our fees are generally not negotiable.

A. Description of how we are compensated for our advisory services provided to you.

(i) Asset Management:

<u>Assets under management</u>	<u>Max Annual Percentage of assets charge*:</u>
Up to \$500,000	2.50%
\$500,000 to \$1,000,000	2.50%
\$1,000,000 to \$2,500,000	2.50%
\$2,500,000 to \$5,000,000	2.50%
Over \$5,000,000	negotiable

*Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter.

(ii) Financial Planning and Consulting:

We charge on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. For planning and consulting services we charge an hour fee of \$350 or a flat fee generally ranging from \$1,000 to \$15,000.

(iii) Referrals to Third Party Money Managers:

We are paid by third party money managers when we refer you to them and you decide to open a managed account. Third party money managers pay us a portion of the investment advisory fee that they charge you for managing your account. Fees paid to us by third party money manager are generally ongoing. All fees we receive from third party money managers and the written separate disclosures made to you regarding these fees comply with applicable state statutes and rules. The separate written disclosures you need to be provided with include a copy of the third party money manager's Form ADV Part 2, all relevant Brochures, a Solicitation Disclosure Statement detailing the exact fees we are paid and a copy of the third party money manager's privacy policy. The third party money managers we recommend will not directly charge you a higher fee than they would have charged without us introducing you to them.

B. Description of whether we deduct fees from *clients'* assets or bill *clients* for fees incurred.

(i) Asset Management:

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter. Fees will generally be automatically deducted from your managed account*. As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing all disbursements for your account, including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;
- c) We send a copy of our invoice to the independent custodian at the same time we send the invoice to you;
- d) Our invoice to you includes a legend that urges the client to compare information provided in their statements with those from the qualified custodian in account opening notices and subsequent statements sent to the client for whom the adviser opens custodial accounts with the qualified custodian.

*In rare cases, we will agree to directly bill clients at their request.

(ii) Financial Planning and Consulting:

We require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1,200 when services cannot be rendered within 6 (six) months.

(iii) Referrals to third party money managers:

Third party money managers establish and maintain their own separate billing processes which we have no control over. In general, they will directly bill you and describe how this works in their separate written disclosure documents.

C. Description of any other types of fees or expenses *clients* may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: 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).

D. Client's advisory fees are due quarterly in advance.

We charge our advisory fees quarterly in advance. In the event that you wish to terminate our services, we will refund the unearned portion of our advisory fee to you. You need to contact us in writing and state that you wish to terminate our services. Upon receipt of your letter of termination, we will proceed to close out your account and process a pro-rata refund of unearned advisory fees.

E. OTHER COMPENSATION

GFS may execute agreements with other investment advisers and recommend other advisors' services to Clients. In such instances, GFS may receive a portion of the adviser's services fee. (Please see Item 10 for additional information).

Investment Advisor Representatives (IARs) of GHS, are licensed with Departments of Insurance with various state agencies and may recommend the purchase of certain insurance-related products on a commission basis. The recommendation by IARs that a Client purchase an insurance commission product presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular Client's need. (Please see Item 10 for additional information).

Clients should be aware that the receipt of additional compensation by GFS and its management persons or employees creates a conflict of interest that may impair the objectivity of the Firm and these individuals when making advisory recommendations. GFS assures its Clients that it endeavors at all times to put the interest of its Clients first as part of its fiduciary duty as a registered investment adviser. We will disclose to the Client the existence of all material conflicts of interest, including the potential for GFS or its employees to earn compensation from the referral of Clients to other registered investment advisers.

Item 6. Performance-Based Fees and Side-By-Side Management

Our firm may charge *qualified clients*³ "performance fees" – that is, fees based on a share of capital gains on or capital appreciation of the managed assets of a *client*. We charge performance based fees as follows:

<u>Assets under management</u>	<u>Annual Percentage of assets charge*:</u>
\$0 to \$500,000	2.00%
\$500,000 to \$1,000,000	1.75%
\$1,000,000 to \$2,500,000	1.50%
\$2,500,000 to \$5,000,000	1.25%
Over \$5,000,000	negotiable

*Our firm's fees are billed on a pro-rata annualized basis quarterly in advance based on the value of your account on the last day of the previous quarter.

³ We are currently permitted to charge performance based fees only to clients with at least \$750,000 under management with our firm or a net worth of at least \$1.5 million. It is expected that the SEC will revisit this standard in the near future and tie the definition of a qualified client to inflation. It is unclear at this time whether the SEC will grandfather or exempt existing qualified clients being charged performance based fees from a greater financial threshold for meeting the qualified client standard should the definition change.

We also charge a performance based fee quarterly in arrears at the end of each quarter as follows:

- 20% of the net profits (i.e., profits after our management fee has been deducted) achieved for the previous quarter of account management.

In charging performance fees to some of our client accounts, we face a conflict because we can potentially receive greater fees from client accounts having a performance-based compensation structure than from those accounts we only charge a fee unrelated to performance (*e.g.*, an asset-based fee). As a result, we may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a performance fee.

We have taken several important steps to ensure that our performance based accounts are not favored over our client's non-performance fee based accounts. These steps include:

- 1) A periodic comparison of our performance based and non-performance accounts. Our comparison will entail a review of our ten most profitable and ten least profitable (including unrealized gain or loss) investment decisions based on total return of positions opened and closed for each investment strategy or mandate offered to clients. We keep track of securities ticker symbol, purchase date, sale date, percentage of gain and/or loss, and dollar amount of the gain and/or loss. In the event that we find performance based accounts are being unduly (i.e., consistently) favored over non-performance based accounts, we would take action to address the situation. This could include allowing non-performance based accounts to trade before performance based accounts to the extent practicable, or if the problem persists, not allowing new performance based accounts, waiving our performance based fees or cancelling our performance based fee arrangements altogether and in some cases, termination of firm personnel.
- 2) The use of block trades and allocations made based on client's risk tolerance, investment objectives and restrictions. A periodic review of the block trade allocations to detect whether profitable trades are being disproportionately allocated to performance based accounts, while unprofitable trades are being disproportionately allocated to pure-fee based accounts with no performance fee. If our firm detects a problem in the allocation of block trades, our remedies are the same as those outlined above.

Item 7. Types of Clients and Account Requirements

We have the following types of clients:

- Individuals and High Net Worth Individuals;
- Non-Profit Organizations;
- Pension Plans;
- Corporation and Other Business Entities.

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We do not require a minimum account balance for our asset management service. We may impose a minimum annual advisory fee of \$500 per account. We generally charge a minimum fee of \$700 for written financial plans.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

Methods of Analysis:

- Charting;
- Fundamental;
- Technical;

Investment Strategies we use:

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

Please note:

Investing in securities involves risk of loss that *clients* should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

B. Our practices regarding cash balances in *client* accounts, including whether we invest cash balances for temporary purposes and, if so, how.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to asset management service.

Item 9. Disciplinary Information

We are required to disclose whether there are 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. There are a number of specific legal and disciplinary events that we must presume are material for this Item. If our advisory firm or a *management person* has been *involved* in one of these events, we must disclose it under this Item for ten years following the date of the event, unless (1) the event was resolved in our or the *management person's* favor, or was reversed, suspended or vacated, or (2) the event is not material (see Note below). For purposes of calculating this ten-year period, the "date" of an event is the date that the final *order*, judgment, or decree was entered, or the date that any rights of appeal from preliminary *orders*, judgments or decrees lapsed.

The SEC and/or State Regulators have not provided us with an exclusive list of material disciplinary events, which need to be disclosed. If our advisory firm or a *management person* has been *involved* in a legal or disciplinary event that is not specifically required to be disclosed, but nonetheless is material to a *client's* or prospective *client's* evaluation of our advisory business or the integrity of our management, we must disclose the event. Similarly, even if more than ten years has passed since the date of the event, we must disclose the event if it is so serious that it remains currently material to a *client's* or prospective *client's* evaluation of our firm or management.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

Item 10. Other Financial Industry Activities and Affiliations

- A. Description of any relationship or arrangement that is material to our advisory business or to our *clients*, that we or any of our *management persons* have with any *related person*⁴ listed below. We are required to identify the *related person* and if the relationship or arrangement creates a material conflict of interest with *clients*, describe the nature of the conflict and how we address it.

Also our representatives are independently licensed to sell insurance products through various insurance companies. When acting in this capacity, they will receive commissions for selling these products. Insurance services in Arizona may be conducted through PCG Insurance, LLC.

⁴ Our **Related Persons** are any *advisory affiliates* and any *person* that is under common *control* with our firm. **Advisory Affiliate:** Our advisory affiliates are (1) all of our officers, partners, or directors (or any *person* performing similar functions); (2) all *persons* directly or indirectly *controlling* or *controlled* by us; and (3) all of our current *employees* (other than *employees* performing only clerical, administrative, support or similar functions). **Person:** A natural person (an individual) or a company. A company includes any partnership, corporation, trust, limited liability company ("LLC"), limited liability partnership ("LLP"), sole proprietorship, or other organization.

Advisor's clients that are in need of insurance products may be referred to PCG Insurance. Clients are not obligated in any manner to use PCG Insurance. No fee sharing arrangements exist between Advisor and its affiliated insurance firm. However, Arizona clients should be aware that Richard Oxford will benefit from referring clients to the insurance firm since he is also the owner of PCG Insurance.

- B. If we recommend or select other investment advisers for our *clients* and we receive compensation directly or indirectly from those advisers, or we have other business relationships with those advisers, we are required to describe these practices and discuss the conflicts of interest these practices create and how we address them.

Not Applicable.

C. OTHER AFFILIATIONS

Investment Advisor Representatives (IARs) of GHS, are licensed with Departments of Insurance with various state agencies and may recommend the purchase of certain insurance-related products on a commission basis. The recommendation by IARs that a Client purchase an insurance commission product presents a conflict of interest or may give the perception of a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular Client's need. No Client is under any obligation to purchase commissionable insurance products recommended by GFS through IAR's of GFS. Clients are reminded that they may purchase insurance products recommended by GFS through other, non-affiliated insurance agents.

Clients should be aware that the receipt of additional compensation by GFS and its management persons or employees creates a conflict of interest that may impair the objectivity of the Firm and these individuals when making advisory recommendations. GFS assures its Clients that it endeavors at all times to put the interest of its Clients first as part of its fiduciary duty as a registered investment adviser. We will disclose to the Client the existence of all material conflicts of interest, including the potential for GFS or its employees to earn compensation from the referral of Clients to other registered investment advisers.

GFS does not have any other arrangements that are material to its advisory or its Clients with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading adviser or futures commission merchant, institution, accounting firm, law firm, insurance company or agency, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships.

D. COMPENSATIONAL ACTIVITIES AND AFFILIATIONS

GFS will execute agreements with other investment advisers and recommend other advisors' services to Clients. The selected unaffiliated investment advisers will act as third-party money managers. In such instances, GFS may receive a portion of the adviser's services fee. The fee received by us is typically a percentage of the fee charged by that investment adviser

to the referred client. The portion of the fee paid to us does not increase the total advisory fee paid to the selected investment adviser by the client. We do not charge the Client any fees for these referrals.

GFS does not have any other arrangements that are material to its advisory or its Clients with other investment advisers.

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

A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any *client* or prospective *client* upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts⁵. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. We have a fiduciary duty to all clients. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. However, if a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

⁵ For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

- B. If our firm or a *related person* invests in the same securities (or related securities, *e.g.*, warrants, options or futures) that our firm or a *related person* recommends to *clients*, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- C. If our firm or a *related person* recommends securities to *clients*, or buys or sells securities for *client* accounts, at or about the same time that you or a *related person* buys or sells the same securities for our firm's (or the *related person's* own) account, we are required to describe our practice and discuss the conflicts of interest it presents. We are also required to describe generally how we address conflicts that arise.

See Item 11A of this brochure. Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities within 48 hours of buying or selling for our clients. If related persons' accounts are included in a block trade, our related persons will always trade personal accounts last.

Item 12. Brokerage Practices

- A. Description of the factors that we consider in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

1. Research and Other Soft Dollar Benefits. If we receive research or other products or services other than execution from a broker-dealer or a third party in connection with *client* securities transactions ("soft dollar benefits"), we are required to disclose our practices and discuss the conflicts of interest they create. Please note that we must disclose all soft dollar benefits we receive, including, in the case of research, both proprietary research (created or developed by the broker-dealer) and research created or developed by a third party.

Private Client, LLC operates strictly as a Registered Investment Advisory firm, does not use a broker-dealer and has no soft dollar benefits.

- a. Explanation of when we use *client* brokerage commissions (or markups or markdowns) to obtain research or other products or services, and how we receive a benefit because our firm does not have to produce or pay for the research, products or services.

Not Applicable

b. Incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our *clients*' interest in receiving best execution.

Not Applicable

c. Causing *clients* to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up).

Not Applicable

d. Disclosure of whether we use soft dollar benefits to service all of our *clients*' accounts or only those that paid for the benefits, as well as whether we seek to allocate soft dollar benefits to *client* accounts proportionately to the soft dollar credits the accounts generate.

Not Applicable

e. Description of the types of products and services our firm or any of our *related persons* acquired with *client* brokerage commissions (or markups or markdowns) within our last fiscal year.

Not Applicable

f. Explanation of the procedures we used during our last fiscal year to direct *client* transactions to a particular broker-dealer in return for soft dollar benefits we received.

Not Applicable

2) Brokerage for *Client* Referrals. If we use client brokerage to compensate or otherwise reward brokers for client referrals, we must disclose this practice, the conflicts of interest it creates, and any procedures we used to direct client brokerage to referring brokers during the last fiscal year (*i.e.*, the system of controls used by us when allocating brokerage)

Our firm does not receive brokerage for client referrals.

3) Directed Brokerage.

a. If we routinely recommend, request or require that a *client* directs us to execute transactions through a specified broker-dealer, we are required to describe our practice or policy. Further, we must explain that not all advisers require their *clients* to direct brokerage. If our firm and the broker-dealer are affiliates or have another economic relationship that creates a material conflict of interest, we are further required to describe the relationship and discuss the conflicts of interest it presents by explaining that through the direction of brokerage we may be unable to achieve best execution of *client* transactions, and that this practice may cost our *clients* more money.

Neither we nor any of our firm's related person have discretionary authority in making the determination of the brokers with whom orders for the purchase or sale of securities are placed for execution, and the commission rates at which such securities transactions are effected.

Special Considerations for ERISA Clients

A retirement or ERISA plan client may direct all or part of portfolio transactions for its account through a specific broker or dealer in order to obtain goods or services on behalf of the plan. Such direction is permitted provided that the goods and services provided are reasonable expenses of the plan incurred in the ordinary course of its business for which it otherwise would be obligated and empowered to pay. ERISA prohibits directed brokerage arrangements when the goods or services purchased are not for the exclusive benefit of the plan. Consequently, we will request that plan sponsors who direct plan brokerage provide us with a letter documenting that this arrangement will be for the exclusive benefit of the plan.

b. If we permit a *client* to direct brokerage, we are required to describe our practice. If applicable, we must also explain that we may be unable to achieve best execution of your transactions. Directed brokerage may cost *clients* more money. For example, in a directed brokerage account, you may pay higher brokerage commissions because we may not be able to aggregate orders to reduce transaction costs, or you may receive less favorable prices on transactions.

See Item 12A(3) of this Brochure.

Special Considerations for Sub-advisory Management Clients

a. We do not select broker-dealers for Sub-advisory client accounts

B. Discussion of whether, and under what conditions, we aggregate the purchase or sale of securities for various *client* accounts in quantities sufficient to obtain reduced transaction costs (known as bunching). If we do not bunch orders when we have the opportunity to do so, we are required to explain our practice and describe the costs to *clients* of not bunching.

We perform investment management services for various clients. There are occasions on which portfolio transactions may be executed as part of concurrent authorizations to purchase or sell the same security for numerous accounts served by our firm, which involve accounts with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to any one or more particular accounts, they are affected only when we believe that to do so will be in the best interest of the effected accounts. When such concurrent authorizations occur, the objective is to allocate the executions in a manner which is deemed equitable to the accounts involved. In any given situation, we attempt to allocate trade executions in the most equitable manner possible, taking into consideration client objectives, current asset allocation and availability of funds using price averaging, proration and consistently non-arbitrary methods of allocation.

Item 13. Review of Accounts or Financial Plans

- A. Review of *client* accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our *employees* who conduct the review.

We review accounts on at least a monthly basis for our clients subscribing to our Asset Management service. Third Party Money Management clients receive at least quarterly reviews. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews.

Financial planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

- B. Review of *client* accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports we provide to *clients* regarding their accounts.

Written performance reports are available upon request. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to our Asset Management and Third Party Money Management services.

As also mentioned in Item 13A of this Brochure, financial planning clients do not receive written or verbal updated reports regarding their financial plans unless they separately contract with us for a post-financial plan meeting or update to their initial written financial plan.

Item 14. Client Referrals and Other Compensation

- A. If someone who is not a *client* provides an economic benefit to our firm for providing investment advice or other advisory services to our *clients*, we must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

GFS has arrangements with third party money managers. We receive compensation from third party investment advisory firms for client referrals. GFS does not receive and does not have any

additional arrangements with third parties to receive economic benefits (such as sales awards or other prizes) for providing investment advice or other advisory services to its Clients.

- B. If our firm or a *related person* directly or indirectly compensates any *person* who is not our *employee* for *client* referrals, we are required to describe the arrangement and the compensation.

We may pay referral fees (non-commission based) to independent solicitors (non-registered representatives) for the referral of their clients to our firm. Such referral fee represents a share of our investment advisory fee charged to our clients. This arrangement will not result in higher costs to you. In this regard, we maintain *Solicitors Agreements* in compliance with Rule 206 (4)-3 of the Investment Advisers Act of 1940 and applicable state and federal laws. All clients referred by Solicitors to our firm will be given full written disclosure describing the terms and fee arrangements between our firm and Solicitor(s). In cases where state law requires licensure of solicitors, we ensure that no solicitation fees are paid unless the solicitor is registered as an investment adviser representative of our firm. If we are paying solicitation fees to another registered investment adviser, the licensure of individuals is the other firm's responsibility.

Item 15. Custody

- A. If we have *custody* of *client* funds or securities and a qualified custodian as defined in SEC rule 206(4)-2 or similar state rules (for example, a broker-dealer or bank) does not send account statements with respect to those funds or securities directly to our *clients*, we must disclose that we have *custody* and explain the risks that you will face because of this.

State Securities Bureaus or their equivalents generally take the position that any arrangement under which a registered investment adviser is authorized or permitted to withdraw client funds or securities maintained with a custodian upon the adviser's instruction to the custodian is deemed to have custody of client funds and securities.

As such, we have adopted the following safeguarding procedures:

- (1) Our clients must provide us with written authorization permitting direct payment to us of our advisory fees from their account(s) maintained by a custodian who is independent of our firm;
 - (2) We must send a statement to our clients showing the amount of our fee, the value of your assets upon which our fee was based, and the specific manner in which our fee was calculated;
 - (3) We must disclose to you that it is your responsibility to verify the accuracy of our fee calculation, and that the custodian will not determine whether the fee is properly calculated; and
 - (4) Your account custodian must agree to send you a statement, at least quarterly, showing all disbursements from your account, including advisory fees.
- B. If we have *custody* of *client* funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to our *clients*, we are required to explain that you

will receive account statements from the broker-dealer, bank, or other qualified custodian and that you should carefully review those statements.

We encourage our clients to raise any questions with us about the custody, safety or security of their assets. The custodians we do business with will send you independent account statements listing your account balance(s), transaction history and any fee debits or other fees taken out of your account.

Item 16. Investment Discretion

If we accept *discretionary authority* to manage securities accounts on behalf of *clients*, we are required to disclose this fact and describe any limitations our *clients* may place on our authority. The following procedures are followed before we assume this authority:

GFS does not have custody of any of its client's funds and securities, nor does it serve as a qualified custodian. With respect to its discretionary authority, the selection and allocation of assets among the third party money managers will be in the sole and exclusive direction of GFS. As such, GFS will allocate the assets of its clients among a relatively concentrated group of third party money managers. You grant us this authority upon execution of our Investment Advisory Contract.

The money managers will be granted discretionary trading authority to provide investment supervisory services for that portion of the clients' portfolios allocated to that particular third party money manager. GFS at all times retains the authority to terminate the relationship with the third party money managers or to add new third party money managers. GFS's role will be to monitor the overall financial situation of the client portfolios, and to monitor the investment approach and performance of the money manager.

The third party money managers will trade independently of one another. There can be no assurance that the trading strategies employed by a third party money manager will be successful. The third party money managers make investment decisions on selecting securities types and specific securities. Third party money managers will also rebalance and reallocate your accounts when the third party money manager determines such rebalancing or reallocating is appropriate. Please note the GFS will not make any decisions on selecting any securities types of specific securities for the accounts managed by the third party money managers.

Item 17. Voting Client Securities

A. If we have, or will accept, proxy authority to vote *client* securities, we must briefly describe our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who

sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

Item 18. Financial Information

- A. If we require or solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance, we must include a balance sheet for our most recent fiscal year.

We do not require nor do we solicit prepayment of more than \$1,200 in fees per *client*, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year.

- B. If we have *discretionary authority* or *custody* of *client* funds or securities, or we require or solicit prepayment of more than \$500 in fees per *client*, six months or more in advance, we must disclose any financial condition that is reasonably likely to impair our ability to meet contractual commitments to *clients*.

We have nothing to disclose in this regard.

- B. Bankruptcy Petition

Neither the Firm nor its management have been the subject of a bankruptcy petition at any time during the last 10 years.

Item 19. Requirements for State-Registered Advisers

- A. Identification of each of our principal executive officers and *management persons*, and description of their formal educations and business backgrounds.

Richard L Oxford

Born 1957

Education Background

1979 Northern Arizona University, BS Geology

2000 University of Phoenix, Masters of Business Administration

Business Background

1982-2000 Schuff Steel Company, Senior Project Manager

1999-2003 International Export Institute, COO

2003-2005 Oxford Legacy Planning, CEO

2003-2011 Oxford Retirement and Estate Planning, Advisor

2010-2012 Private Client LLC, Investment Advisor Representative

01/2012-Present, National Investment Review Institute, VP Client Relations

10/2012-Present, Managing Member, PCG Insurance, LLC

01/2013-07/2013, Managing Member, Private Client, LLC

08/2013-Present, President and CCO GFS, Inc. Db a Private Client Group

Matthew D. Simmons

Born 1976

Education Background

1999, University of Georgia, Bachelor of Finance

Business Background

Investment Adviser Representative/Chairman Investment Committee

GFS, Inc. D/b/a Private Client Group (2012 - Present)

Investment Adviser Representative

Private Client, LLC (2011 - 2012)

Registered Representative

FSC Securities (2011 – 2012)

Registered Representative

Securities Services Network, Inc. (2009 – 2011)

Regional Vice President

The Householder Group Financial Advisors, LLC (2005 - 2011)

B. Description of any business in which we are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

Mr. Richard L. Oxford conducts insurance services through PCG Insurance, LLC (10/2012 to Present). Through this company, he provides insurance services in his capacity as an independent insurance agent. Mr. Oxford is part owner of IWHOGROUP, Inc., a privately held international company in the e-learning business. Mr. Oxford is also a shareholder and board member of Dunlap-Stone University, an accredited online university in Phoenix, AZ. It should be noted that Mr. Oxford's activities outside of Private Client, LLC comprise approximately 10% of his time.

Mr. Matthew D. Simmons is licensed as an insurance agent with the Georgia Office of Insurance and Fire Commissioner as an independent insurance agent. Mr. Simmons is also CEO of Parallel Trading Group. Parallel Trading Group, Inc. engages in the management of commodity trading accounts for individual investors. Mr. Simmons may benefit from client referrals to Parallel Trading Group.

C. In addition to the description of our fees in response to Item 5 of Part 2A, if our firm or a supervised person is compensated for advisory services with performance-based fees, we must explain how these fees will be calculated. Further, we must disclose specifically that performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

See Item 6 of this Brochure. Additionally, you are hereby advised that performance-based compensation may create an incentive for our firm to recommend an investment that may carry a higher degree of risk to you.

D. If our firm or a *management person* has been *involved* in one of the events listed below, we must disclose all material facts regarding the event.

1. An award or otherwise being *found* liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

2. An award or otherwise being *found* liable in a civil, *self-regulatory organization*, or administrative *proceeding* involving any of the following:

- (a) an investment or an *investment-related* business or activity;
- (b) fraud, false statement(s), or omissions;
- (c) theft, embezzlement, or other wrongful taking of property;
- (d) bribery, forgery, counterfeiting, or extortion; or
- (e) dishonest, unfair, or unethical practices.

We have nothing to disclose in this regard

E. In addition to any relationship or arrangement described in response to Item 10.A. of Part 2A, we must describe any relationship or arrangement that our firm or any of our *management persons* have with any issuer of securities that is not listed in Item 10.C. of Part 2A.

We have nothing to disclose in this regard

PRIVACY POLICY

GFS does not disclose nonpublic personal information about its clients or former clients to any persons other than as described below. GFS collects information about its clients (such as name, address, social security number, assets and income) from discussions with clients, from documents that clients may deliver to GFS (such as account applications) and in the course of providing services. In order to service its client accounts and effect client transactions, GFS may with the client's approval provide client personal information to its affiliates and to firms that assist it in servicing client accounts and which have a need for such information. GFS does not otherwise provide information about its clients to outside firms, organizations or individuals except as required by law. Any party that receives this information will use it only for the services disclosed herein and as allowed by applicable law or regulations, and is not permitted to share or use this information for any other purpose.