



John E. Sestina and Company

Part 2A of Form ADV: *Firm Brochure*

John E. Sestina and Company

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This brochure provides information about the qualifications and business practices of John E. Sestina and Company. If you have any questions about the contents of this brochure, please contact us at 614-326-3077 or kgoodrich@sestina.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about John E. Sestina and Company also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 108634.

Item 2 Material Changes

The SEC adopted "Amendments to Form ADV" in July 2010. This Firm Brochure, dated 01/14/2014, is our new disclosure document prepared according to the SEC's new requirements and rules. As you will see, this document is a narrative that is substantially different in form and content, and includes some new information that we were not previously required to disclose.

After our initial filing of this Brochure, this Item will be used to provide our clients with a summary of new and/or updated information. We will inform you of any revisions based on the nature of the updated information.

Consistent with the new rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We will also provide you with other interim disclosures about material changes as necessary.

Item 3	Table of Contents	Page
Item 1	Cover Page	1
Item 2	Material Changes	2
Item 3	Table of Contents	3
Item 4	Advisory Business	4
Item 5	Fees and Compensation	7
Item 6	Performance-Based Fees and Side-By-Side Management	8
Item 7	Types of Clients	8
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss	9
Item 9	Disciplinary Information	9
Item 10	Other Financial Industry Activities and Affiliations	9
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	10
Item 12	Brokerage Practices	11
Item 13	Review of Accounts	13
Item 14	Client Referrals and Other Compensation	14
Item 15	Custody	13
Item 16	Investment Discretion	14
Item 17	Voting Client Securities	14
Item 18	Financial Information	14

Item 4 Advisory Business

John E. Sestina and Company is a SEC-registered investment adviser with its principal place of business located in Columbus, Ohio. John E. Sestina and Company began conducting business in 1970.

Listed below are the firm's principal shareholders:

- John E. Sestina, President

John E. Sestina and Company offers the following advisory services to our clients:

FULL SERVICE FINANCIAL PLANNING

We provide comprehensive financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values, and withdrawal plans. Through the financial planning process, all questions, information, and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service receive reports which provide the client with a detailed financial plan designed to assist the client in achieving his or her financial goals and objectives.

Our comprehensive financial plan will address all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.
- **INCOME PLANNING:** We analyze the client's income tax and spending and planning for past, current, and future years; then illustrate the impact of various investments on the client's current income tax, spending needs, and future tax liability.
- **NET WORTH:** We look at a client's net worth and analyze it from many aspects including liquidity, certainty of value, and future growth or loss potential.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **BUSINESS INTERESTS:** In many instances a client's business provides a substantial portion of their net worth and income. We assist a client in succession planning and analysis of the ability of the business interests to satisfy the client's financial needs.
- **INSURANCE:** We review existing policies to advise on proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEPENDENTS:** We review the needs of education funding.
- **ESTATE PLANNING:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid, etc.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and

attitudes towards risk. We carefully review documents supplied by the client, including a questionnaire completed by the client, and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion. This plan also includes data management.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning as well as the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Warrants
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Options contracts on securities
- Options contracts on commodities
- Futures contracts on tangibles
- Futures contracts on intangibles
- Interests in partnerships investing in real estate
- Interests in partnerships investing in oil and gas interests
- Direct purchase of commodities such as gold and silver

Typically, the financial plan is presented to the client within four months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. The financial plan is reviewed quarterly.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. While we provide specific recommendations, at no time is a client required to use a specific product or service.

FIRST STEP FINANCIAL PLANNING

Our firm also offers an alternate comprehensive financial planning service. Through the financial planning process, all questions, information, and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. We gather required information through our questionnaire and include the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk in our evaluation and recommendations. This plan does not include data management.

Clients choosing this service receive reports which provide the client with a detailed financial plan designed to assist the client in achieving his or her financial goals and objectives.

Typically, the financial plan is presented to the client within two to four months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided. The financial plan is reviewed semi-annually.

Financial Planning recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company. While we provide specific recommendations, at no time is a client required to use a specific product or service.

INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous asset management of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on the client's particular circumstances are established, we develop the client's personal investment policy. We create and recommend a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we may also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a non-discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Once the client's portfolio has been established, we review the portfolio quarterly, and if necessary, recommend a rebalance of the portfolio as needed, based on the client's individual needs.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the securities set forth previously.

Because some types of investments involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

AMOUNT OF MANAGED ASSETS

As of 12/31/2013, we were actively managing \$488,511,169 of clients' assets on a non-discretionary basis.

Item 5 Fees and Compensation

FULL SERVICE FINANCIAL PLANNING FEES

John E. Sestina and Company's Financial Planning fee is determined based on a net worth schedule. Account values are based upon the values (market value or fair market value in the absence of market value) of the client's accounts at the beginning of the relationship or at the client's annual renewal. All fees are agreed upon prior to entering into a contract with any client.

Our Financial Planning fees are calculated and charged on a fixed fee basis and are typically collected tri-annually. The annual fee will be billed in three equal installments. One third of the annual fee is due and payable upon acceptance of the Financial Planning Services Agreement and the remaining balance will be equally billed and payable at four month intervals. In certain circumstances, we may permit clients to pay their advisory fees on either a quarterly or a monthly basis but in no event will the fees be prepaid more than six months in advance.

Advisory fees may be directly debited from a client account (without us maintaining custody) if the following conditions are met:

1. The client provides written authorization permitting our fees to be paid directly from the client's account held by an independent custodian.
2. We send a fee statement to the client and the custodian. The client's fee statement will show the amount of the advisory fee and the account from which it will be taken.
3. We inform the client that it is the client's responsibility to verify the accuracy of the fee calculation and that the custodian will not determine whether the fee is properly calculated.
4. The custodian agrees to send to the client a statement, at least quarterly, indicating all amounts disbursed from the account including the amount of advisory fees paid directly to us.

Fee Schedule

<u>Net Worth More Than</u>	<u>Annual Fee</u>
<\$1,000,000	\$5,000
\$1,000,000	\$6,000
\$1,500,000	\$8,250
\$2,000,000	\$10,000
\$2,500,000	\$12,500
\$3,000,000	\$15,000
\$3,500,000	\$17,500
\$4,000,000	\$20,000
\$4,500,000	\$22,500
\$5,000,000	\$25,000
\$6,000,000	\$30,000

\$7,000,000	\$35,000
\$8,000,000	\$40,000
\$9,000,000	\$45,000
\$10,000,000	Negotiable

FIRST STEP FINANCIAL PLANNING FEES

John E. Sestina and Company's fees for the First Step program are fixed and variable. The fixed fee of \$1000.00 is charged each year of the clients' relationship with the firm and will be billed in three equal installments. One third of the annual fee is due and payable upon acceptance of the Financial Planning Services Agreement and the remaining balance will be equally billed and payable in advance at four month intervals. The additional variable fee is determined by the amount of assets under management and is typically 1% of the assets computed and charged on an annual basis. All fees are agreed upon prior to entering into a contract with any client and under certain circumstances, fees are negotiable.

GENERAL INFORMATION

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason. A written notice is requested from the client. Upon termination of any account, unearned fees will be refunded.

Mutual Fund Fees: All fees paid to John E. Sestina and Company for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to understand fully the total amount of fees to be paid by the client and thereby to evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

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

John E. Sestina and Company does not charge performance-based fees.

Item 7 Types of Clients

John E. Sestina and Company provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Small business owners
- Professional Athletes

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets: asset allocation and mutual fund and/or ETF.

Risks for all forms of analysis: Our securities analysis methods rely on the assumption that the companies whose securities we recommend purchasing or selling, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy in managing client accounts, provided that such strategy is appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases: We recommend purchasing securities with the idea of holding them in the client's account for a year or longer. Typically, we employ this strategy when:

- We believe the securities to be currently undervalued, and/or
- We recommend exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we recommend the decision to sell.

Item 9 Disciplinary Information

We are required to disclose any 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.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

Financial advisors of John E. Sestina and Company are considered to be registered investments advisors under the umbrella of John E. Sestina and Company. John E. Sestina and Company and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty.

Other pooled investment vehicle(s):

Client advisors and management personnel of John E. Sestina and Company are not managing members of limited liability companies (LLCs) or general partners to limited partnerships (LPs) formed for investment purposes.

Because investment in these types of entities may involve certain additional degrees of risk, they will only be recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

Other business activities:

John Sestina, President of John E. Sestina and Company is also President of Sestina Enterprises, Inc., a Quixtar franchise. In connection with this business, Mr. Sestina accepts numerous public speaking engagements on behalf of Quixtar. During these appearances, Mr. Sestina may also inform the attendees of the advisory services offered by John E. Sestina and Company. There are no referral fee arrangements between John E. Sestina and Company and Sestina Enterprises, and no client of Sestina Enterprises is obligated to utilize the advisory services of John E. Sestina and Company.

Additionally, Mr. Sestina, from time to time, may train other independent persons to become financial planners, for which he will receive separate yet typical compensation.

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

Our firm has adopted a Code of Ethics, which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

John E. Sestina and Company and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Our Code of Ethics also includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to kgoodrich@sestina.com, or by calling us at 614-326-3077.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with making decisions in the best interest of advisory clients and implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person may have an interest or position in a certain security which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction being implemented for an advisory account, thereby preventing such employee from benefiting from transactions placed on behalf of advisory accounts.

Item 12 Brokerage Practices

We may recommend that clients establish accounts with a brokerage firm to maintain custody of clients' assets and to effect trades for their accounts. However, it is ultimately the client's decision. We are independently owned and operated and not affiliated with any brokerage firm.

Recommended brokerage firms provide us with access to institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a set amount of the adviser's clients' assets are maintained in accounts at the brokerage firms. These services are not contingent upon our firm committing any specific amount of business to the brokerage firms. Services of the brokerage firms include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

Other benefits of using the services of the brokerage firms are duplicate client statements and confirmations; research related products and tools; consulting services ; access to a trading desk serving adviser participants; 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 us by third party vendors.

For our client accounts maintained in their custody, the brokerage firms generally do not charge separately for custody services but are compensated by account holders through transaction-related or asset-based fees for securities trades that are executed through the brokerage firms or that settle into the accounts.

As a matter of policy and practice, we do not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price.

The brokerage firms also make available to our firm other products and services that benefit John E. Sestina and Company but may not directly benefit our clients' accounts. Many of these products and services may be used to service all or some substantial number of our client accounts, including accounts not maintained at the brokerage firms.

The brokerage firm's products and services that assist us in managing and administering our clients' accounts include software and other technology that.

1. provide access to client account data (such as trade confirmations and account statements);
2. facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
3. provide research, pricing and other market data;
4. facilitate payment of our fees from clients' accounts; and
5. assist with back-office functions, record keeping and client reporting.

The brokerage firms also offer other services intended to help us manage and further develop our business enterprise. These services may include:

1. compliance, legal and business consulting;
2. publications and conferences on practice management and business succession.

The brokerage firms may make available, arrange and/or pay third-party vendors for the types of services rendered to us. They may discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm. The brokerage firms may also provide other benefits such as educational events or occasional business entertainment of our personnel. In evaluating whether to recommend that clients custody their assets at a brokerage firm, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by the brokerage firms, which may create a potential conflict of interest.

Our receipt of Additional Services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts. A client is free to choose the brokerage firm of their choice.

Item 13 Review of Accounts

FINANCIAL PLANNING SERVICES

REVIEWS: Reviews of full service comprehensive financial plans typically occur quarterly and will focus on different topics each quarter. These topics are:

First Quarter: data gathering, beginning of year tax planning, retirement,

Second Quarter: dependents, investment process,

Third Quarter: life insurance, disability insurance, long term care, estate planning

Fourth Quarter: year-end tax planning, direct investments, business interests, P&C insurance

During all meetings income, cash flow, net worth and investments are reviewed.

REPORTS: Financial Planning reports will be provided on a quarterly basis.

PORTFOLIO MANAGEMENT SERVICES

REVIEWS: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed quarterly. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

REPORTS: In addition to the monthly statements and confirmations of transactions that Portfolio Management Services clients receive from their broker-dealer, John E. Sestina and Company will provide quarterly reports summarizing account performance, balances and holdings.

Item 14 Client Referrals and Other Compensation

CLIENT REFERRALS

Our firm may pay referral fees to independent persons or firms ("Solicitors") for introducing clients to us. Whenever we pay a referral fee, we provide the prospective client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- the fact that the fee paid to us by the client will not be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of any referral.

Item 15 Custody

We do not have actual or constructive custody of client accounts.

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the

calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send account statements directly to our clients showing the amount of a management fee billed and the amount received from the custodian. We urge our clients to carefully compare the information provided on these statements to ensure that management fee transactions are correct.

Item 16 Investment Discretion

As previously disclosed in Item 4 of this brochure, we do not provide discretionary asset management services.

Item 17 Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Although our firm provides investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

We do not offer any consulting assistance regarding proxy issues to clients.

Item 18 Financial Information

We do not have custody of clients' funds or securities nor do we require the prepayment of more than \$1200 in fees per client and six months or more months in advance. Therefore, we are not required to provide a balance sheet related to our most recent fiscal year. We do not provide clients with any financial information about our business.

As an advisory firm, we are required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. John E. Sestina and Company has no additional financial circumstances to report.

John E. Sestina and Company has not been the subject of a bankruptcy petition at any time during the past ten years.