

Item 1: Cover Page

**Marstone, LLC
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New York, New York 10003
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www.Marstone.com

July 8, 2014

**FORM ADV PART 2
BROCHURE**

This brochure provides information about the qualifications and business practices of Marstone, LLC. If you have any questions about the contents of this brochure, please contact us at 415.308.6198. 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 Marstone, LLC is also available on the SEC's website at www.adviserinfo.sec.gov. The IARD/CRD number for Marstone, LLC is 164810.

Marstone, LLC is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Item 2: Material Changes

New Brochure For Marstone, LLC Form ADV Part II and Schedule F

The Marstone, LLC brochure contains information for the benefit of its clients.

- (1) Update to reflect change of Advisor's legal name from Rational Q,LLC to Marstone,LLC
- (2) Update to reflect a change of phone number to 212 203 7790
- (3) Update to reflect a change of website URL to www.Marstone.com

Due to the changes to this brochure, it is suggested that clients review this document, in its entirety, upon receipt. Clients are also encouraged to review this brochure. Please contact the Marstone, LLC New York Office at 212 203 7790 with any questions.

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Item 4: Advisory Business

Marstone, LLC ("Marstone or the Firm") is an online advisory firm, registered with the Securities and Exchange Commission, that has been in business since 2012. Marstone is a privately held company owned by Rational Group Inc.

Marstone provides online financial advisory services through a secured website: www.Marstone.com; creating investment plans and portfolio management strategies to meet your financial objectives, including identifying:

- Your investment objectives and risk tolerance;
- Asset classes in which to invest;
- Efficient asset class allocation to meet your objectives;
- Appropriate time to rebalance your portfolio to achieve optimal return for your stated objectives and risk tolerance.

Marstone will obtain detailed information from you in order to evaluate your investment objectives, risk tolerance and suitability considerations. The firm will help you invest in well diversified stock market holdings for long term returns, coupled with fixed income securities for steady income.

Based on your investment objectives and Marstone recommendations, we will customize specific solutions suitable to meet your particular needs. Your specific interests on investing in individual securities and industries can be incorporated into your portfolio.

Marstone will not offer wrap fee programs.

Marstone is a newly formed investment advisor and has not yet begun conducting business. As of July 8, 2014, Marstone is not managing any client assets.

Item 5: Fees and Compensation

A. Compensation

Marstone offers account management services to clients on a discretionary basis. The accounts will be set

up and maintained at our custodian Pershing. Fees ("Quarterly Fee") will be based on the account asset market value on the last business day of the previous quarterly period and will become due the first day of the new business quarter.

The Quarterly Fee is 12.5 basis points (i.e., 0.125%) charged on an annualized basis and calculated by multiplying the market value of the assets under management in the account at the end of the preceding quarter by 0.125% (0.50% annually).

The period for which the initial Quarterly Fee will be calculated will run from the day Marstone begins management of the Account through the last business day of the current calendar quarter. The Fee will be prorated for the portion of the initial calendar quarter during which the Account was managed.

If clients subsequently contribute capital to the account or withdraw assets from the account, The account will be charged a prorated portion of the Quarterly Fee to the date of the transaction.

If necessary, Rational may direct the sale of securities to pay the Quarterly Fee. Any fees or charges may be changed, waived or reduced at Rational's sole discretion for any period of time and for any account.

Marstone is a fee only investment advisor. Neither the firm or its employees will receive any direct or indirect compensation related to investments that are purchased or sold for clients.

B. Billing Methods

Clients will authorize Marstone, LLC to deduct advisory fees from client accounts held at Pershing, the custodial broker-dealer.

C. Other Fees and Expenses

In addition to the fees charged by Marstone, LLC, each mutual fund company in which a client's funds may be invested, utilizes fees paid by the investors that are deducted from the mutual fund's assets. These fees, called 12b-1 fees, pay for marketing and distribution expenses, such as brokers' commissions. The fees are categorized as annual operating expenses. Rule 12b-1 fees are disclosed in each mutual fund's prospectus and typically are less than 1 percent.

D. Fees Paid In Advance

It is Marstone LLC's policy to bill managed accounts in arrears.

E. Assets Under Management

Marstone is registered with the Securities Exchange Commission and as of July 8, 2014, Marstone manages a total of \$0 on a non discretionary basis and \$0 on a discretionary basis.

Clients are free to terminate contracts with written notice and any fees will be pro-rated on a quarterly basis and the unused portion of the fee will be returned to clients.

Investment Policy Statements

Individually managed accounts will be tailored to meet the client's investment goals and objectives. Marstone does not prepare investment policy statements.

Wrap Fee Programs

Marstone does not sponsor wrap fee programs.

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

For certain accredited investors, Marstone may charge fees based on a share of capital gains or on capital appreciation of the assets of the client.

Item 7: Types of Clients

Marstone provides investment advisory services to individuals, pension and profit sharing plans, trusts, corporations and other business entities.

Minimum Account Balance

Generally, Marstone will require a minimum investment of \$1,000.00. to be accepted on an individual basis at the discretion of Marstone and the platform sponsor.

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

This section discusses the way Marstone analyzes securities investments, the investment strategies that are used in suggesting investments for clients and the risk of loss that clients may incur in making investments. Marstone utilizes methods of analysis and investment strategies, including but not limited to charting, fundamental, cyclical and technical, in formulating investment advice or managing assets. Marstone recommends general securities in client portfolios that include but are not limited to individual stocks, exchange traded funds, individual bonds, mutual funds, government securities, commercial paper, certificates of deposit and government securities.

The investment strategies that Marstone may use to implement any investment advice that Marstone gives to clients includes long term and short term purchases. There is always some risk connected with investing, whether securities, certificates of deposit or in any other type of investment. There is risk of loss of principal and also risk of loss of purchasing ("buying") power. Investing in securities involves risk of loss that clients should be prepared to bear.

Marstone attempts to do its best to help clients mitigate both risks over time. One way to lessen risk is to diversify investment portfolios so that when some fall in value, others may rise in value. The following is a discussion of some types of risk that clients may encounter in securities investing:

Individual strategies will vary according to the client's stated objectives. Portfolios are structured not only to meet current needs, but also to fulfill long-term goals. Most investments are intended to be long-term unless specific circumstances warrant short-term time horizons.

A general objective common to almost all portfolios is to maximize total return within the constraints of prudent risk taking and according to the client's ability and willingness to accept risk.

The objective of the advisor is to develop efficient portfolios which distribute assets among investment

categories to achieve the desired rate of return in the specified time horizon, while controlling risk within the client's tolerances.

Thus the recommendations for each client are specific and designed to tailor investment strategies to the needs of the individual client.

Item 9: Disciplinary Information

A. Neither Marstone or its Investment Advisory Representatives have been or are currently involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which Marstone or Investment advisory representatives:

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

B. Neither Marstone or its Investment Advisory Representatives have been or are currently involved in an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which Marstone or Investment Advisory Representatives:

1. were found to have caused an investment-related business to lose its authorization to do business; or
2. were found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority
 - a. denying, suspending, or revoking the authorization of Marstone or Investment Advisory Representatives to act in an investment-related business;
 - b. barring or suspending Marstone or investment advisory representative's association with an investment-related business;
 - c. otherwise significantly limiting Marstone or investment advisory representative's investment-related activities; or
 - d. imposing a civil money penalty of more than \$2,500 on Marstone or Investment Advisory Representatives.

C. Neither Marstone or its Investment Advisory Representatives have been or are currently involved in a self-regulatory organization (SRO) proceeding in which Marstone or Investment Advisory Representatives:

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

Item 10: Other Financial Industry Activities and Affiliations

Marstone does not have other financial industry affiliations that would cause a conflict of interest with its business activities.

Other Business Activities

Marstone has entered into a custodial agreement with Pershing. Marstone instructs Pershing, where applicable, to provide execution services for client account transactions in accordance with the authority that the client has given under the terms of the Marstone Investment Account Agreement. Marstone does not receive compensation in the form of commissions or fees for transactions executed through Pershing.

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

A. Marstone maintains written supervisory procedures that describe firm policies and procedures and how Marstone conducts business with its clients. We will provide a copy of our Code of Ethics to any client or prospective client upon request. Marstone clients depend on the firm to be trustworthy, honest and loyal to their interests as provided in Marstone's agreements with them and disclosures in the Marstone form ADV. Clients expect Marstone to protect the confidentiality of their personal and financial information and to provide timely and professional advice in accordance with Marstone agreements.

Marstone and its investment advisory representatives are expected to strive to act at all time in accordance with fundamental principles of openness, integrity, and honesty. This is in addition to the legal obligations that Marstone and its investment advisory representatives have to adhere to applicable federal and state securities laws.

B. Marstone does not generally recommend to clients, or buys or sells for client accounts, securities in which Marstone or a related person has a material financial interest, including acting as a general partner in a partnership in which Marstone solicits client investments; or Marstone or a related person acts as an investment adviser to an investment company that Marstone recommends to clients.

C. From time to time, Marstone or an investment advisory representative of Marstone may purchase a security of the same class as securities held in a client's account. It is Marstone's policy not to permit investment advisory representatives to trade in a manner that takes advantage of price movements caused by clients' transactions.

D. If Marstone recommends securities to clients or buys or sells securities for client accounts, at or about the same time that a Marstone investment advisory representative buys or sells the same securities for their own personal account, the client's transactions will take precedence so that the Marstone investment advisory representatives do not benefit over its clients, from the transactions.

Item 12: Brokerage Practices

Marstone maintains a custodial agreement with Pershing, where Marstone client accounts are held. Pershing is responsible for clearing commissionable trades on behalf of Marstone. Additionally, Pershing is responsible for sending trade confirmations and statements to Marstone clients.

Marstone considers a variety of factors in recommending Pershing for custodial services. Generally, these recommendations are based on Marstone's perception of the breadth of services offered, and quality of execution.

Pershing provides products and services to assist Marstone in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Marstone's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. The custodial broker-dealer also make available to Marstone other services intended to help Marstone manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing. In addition, the custodial broker-dealer may make available, arrange and/or pay for these types of services rendered to Marstone by independent third parties.

The custodial broker-dealer may discount or waive fees it 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 Marstone. While as a fiduciary, Marstone endeavors to act in its clients' best interest, and Marstone's recommendations that clients maintain their assets in accounts at the custodial broker-dealer may be based in part on the benefit to Marstone of the availability of some of the foregoing products and services and are not solely on the nature, cost or based in part on the benefit to Marstone of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the custodial broker-dealer, which may create a potential conflict of interest. Receiving the benefit of not paying for research, products or services might give Marstone an incentive to recommend Pershing based on its interests rather than the client's interests.

Research and Other Soft Dollar Benefits

Marstone does not engage in soft dollar benefits. Marstone does not use client brokerage commissions (or markups or markdowns) to obtain research or other products or services.

Block Trading

Marstone may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of Marstone's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day.

Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. Marstone may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

Best Execution

On an annual basis, Pershing is interviewed to compare the services and fees offered by the different firms. Best execution is not the only factor to be considered in providing investment management services to clients. Marstone believes that Pershing provides good execution for clients' transactions. In addition, they provide Marstone and its clients with other valuable information on their accounts both electronically and by mail. They also provide a forum for advisory professionals to meet and to discuss compliance issues, rules and regulations that are important for the client and for Marstone.

Item 13: Review of Accounts

Marstone provides clients with on line access to their accounts, including portfolio securities positions and balances. Periodic review of client accounts will be conducted by the Marstone investment advisory representatives. Client account re-allocations will be approved by the Marstone investment committee. Monthly statements will be provided by the custodial broker dealer, Pershing. Marstone will not provide supplemental reports in addition to the statements provided by Pershing.

Item 14: Client Referrals and Other Compensation

A. Marstone does not engage in activity with non clients to gain economic benefits including sales awards or other prizes.

B. Marstone does not pay client referral fees. Marstone may, in the future, pay pre-determined fees to third parties for referring new users to Marstone. This practice will be disclosed in writing to the client and will comply with regulations in the states where Marstone is registered to conduct business. If this occurs, the ADV 1 and 2A will be updated to disclose the arrangements.

Item 15: Custody

Marstone does not maintain custody of client funds or securities. Clients will receive statements from the custodial broker dealer on a monthly basis and should review them carefully.

Item 16: Investment Discretion

Marstone maintains limited power of attorney in client accounts held at the custodial broker dealers. The

limited power of attorney authorizes Marstone to purchase and sell securities without obtaining prior permission to execute the transactions. All transactions are executed in accordance with the client's investment objectives that have been discussed and agreed upon with Marstone and client.

Item 17: Voting Client Securities

Clients will receive proxy information from their custodial broker-dealer(s). Marstone requests that clients engage another party to determine how proxies should be voted. Marstone does not provide proxy voting services to its clients. Clients may contact Margaret Hartigan by phone or email if they have questions.

Item 18: Financial Information

As an investment advisory firm Marstone is required to disclose any financial condition that would be likely to impair its ability to meet its contractual obligations. Marstone has no such financial conditions to report. Marstone is not and has not been the subject of a bankruptcy proceeding .

Item 19: Requirements for State-Registered Advisers

A. Margaret Hartigan is the firm's principal executive officer and Chief Compliance Officer. Detailed information on Margaret Hartigan's background can be found in form ADV 2B.

B. Margaret Hartigan's sole employment is with Marstone, LLC.

C. Marstone fees are described in ADV Part 2A. Marstone receives asset management fees and does not receive any other forms of compensation, including performance based fees for services rendered.

D. Marstone and its investment advisory representatives are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of each investment advisor firm or representative providing investment advice to you. You may access information at the SEC website at [www. Adviserinfo.sec.gov](http://www.Adviserinfo.sec.gov). Please see AD V 2A, item 9C and AD V 2B for information on individual investment advisory representatives.

E. There are no arrangements that the firm or Ms.Hartigan have with any issuer of securities.

Additional Information

Investment Advisory Representatives will be required to meet the examination and qualification requirements of the states where they conduct business.

Item 1: Cover Page

Marstone, LLC

Registered Investment Advisor

**740 Broadway, suite 1002
New York, New York 10003
Phone: 212.203.7790**

mhartigan@marstone.com

July 8, 2014

**FORM ADV PART 2B
Brochure Supplement**

This brochure supplement provides information about Margaret Hartigan that supplements the Marstone, LLC brochure. You should have received a copy of that brochure. Please contact Margaret Hartigan if you did not receive the firm's brochure or if you have any questions about the contents of this supplement. Additional information about Margaret Hartigan is available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the state of New York does not imply a certain level of skill or training.

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Item 2. Educational Background and Business Experience

Name: Margaret Hartigan

Year of Birth: 1974

Education: B.A. Brown University

Employment for the Past Five Years:

Marstone, LLC: 10/2012 to present

Merrill Lynch: 10/2002 to 04/2012

Item 3. Disciplinary Information

A. Margaret Hartigan is not and has not been the subject in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which she:

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

B. Margaret Hartigan is not and has not been the subject of an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which she:

1. was found to have caused an investment-related business to lose its authorization to do business; or
2. was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority:
 - a. denying, suspending, or revoking the authorization of her to act in an investment-related business;
 - b. barring or suspending her association with an investment-related business;
 - c. otherwise significantly limiting her investment-related activities; or
 - d. imposing a civil money penalty of more than \$2,500 on her.

C. Margaret Hartigan is not and has not been the subject of a self-regulatory organization (SRO) proceeding in which she:

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

D. Margaret Hartigan is not and has not been the subject of any other proceeding in which a professional attainment, designation, or license of hers' was revoked or suspended because of a violation of rules relating to professional conduct.

Item 4. Other Business Activities

Margaret Hartigan is not involved in any other business activities apart from Marstone, LLC.

Item 5. Additional Compensation

In the course of business Margaret Hartigan does not receive economic benefit from non clients for providing advisory services. "Economic benefits" include sales awards and other prizes or any bonus that is based, at least in part, on the number or amount of sales, client referrals, or new accounts.

Item 6. Supervision

Margaret Hartigan is the Managing Member and Chief Compliance Office of Marstone, LLC and supervises all investment advisory related activity.

Item 7. Requirements for State-Registered Advisers

A. In addition to the events listed in Item 3 of Part 2B, Margaret Hartigan is not involved and has not been involved in any of the events listed below:

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.

B. Margaret Hartigan is not and has not been the subject of a bankruptcy petition.