

**Item 1 COVER PAGE**

**QUEST CAPITAL STRATEGIES, INC.**

Part 2A of Form ADV: Firm Brochure

CONTACT: James Melton Chief Compliance Officer  
23832 Rockfield Blvd., Suite# 130  
Lake Forest CA. 92630

This brochure provides information regarding the qualifications and business practices of Quest Capital Strategies, Inc. If you have any questions about the contents of this brochure, please contact us at 949-830-4885 and/or at [www.questcapital.com](http://www.questcapital.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 Quest Capital Strategies, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

February 6, 2015

## **Item 2 MATERIAL CHANGES**

**The material Changes section of this brochure will be updated as needed.**

**The SEC issued a final rule in July 2010 requiring advisors to provide a firm brochure in narrative “plain English” format. As such we have revised our ADV Part 2 form to reflect this rule.**

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## **Items 4 and 5 Advisory Services, Fees and Compensation**

Quest Capital Strategies, Inc. has been a state registered investment adviser since 1988 and is owned by Carolyn Tsai. There are currently approximately 60 investment advisory representatives and 10 operation and service representatives. Assets are held by independent custodians including RBC CS and various mutual fund companies. As of January 30 2015, Quest Capital Strategies manages approximately \$5.4 million dollars on a discretionary basis and there is approximately \$28.9 million dollars managed by third party money managers on a discretionary basis.

Quest Capital offers, primarily, investment advisory services to clients utilizing third-party money managers. The firm has selling/solicitation arrangements with third party investment advisors for which Quest capital IARs may act as solicitors. A third party investment advisor manages client accounts in accordance with the disclosures set forth in the third party investment advisor's disclosure documents. The third party investment advisor will typically assume discretionary authority over the account. The firm and its representatives will not manage or obtain discretionary authority over the assts in accounts participating in these programs.

Where third party money managers are used, all fees are based on assets under management in the investment accounts. Fees may be negotiated but generally range from 25 basis points (0.25%) to 300 basis points (3.00%) annually, depending upon the program selected, the size of the account and the services offered. Under some programs an inclusive fee covers account management, brokerage clearance, custody and administrative services. In other programs, the account may be charged separately for such services. The amount of the fees, services provided, payment structure, termination provisions and other aspects of each program are detailed and disclosed in the third party investment advisors' Part II of form ADV, or other applicable disclosure documents such as the disclosure documents of the managers selected and the account opening documents. Quest Capital and/or the IAR will share in a portion of the fee charged by the third party manager, the portion of which varies program by program and which can be obtained by request to Quest Capital. The third party money manager will pay Quest Capital directly for its portion of all advisory fees assessed against the advisory accounts referred to them by Quest Capital and its investment advisory representatives.

A conflict of interest may exist for the Advisor to recommend the services of a third party manager or asset allocator who has agreed to share a portion of its management fee with Advisor as opposed to other managers who have not agreed to pay compensation to the Advisor. The amount of compensation paid to the Advisor may vary from one third party manager to another. A potential conflict of interest for the Advisor in recommending one third party manager over another one where the recommended manager shares a larger portion of its advisory fees with the Advisor may exist. The fees for these third party

managed programs may be higher or lower than if the client directly obtained the services of the third party manager or asset allocator, or, if the client obtained advisory services separately.

When advisory services are provided directly from Quest Capital and not a third party money manager and advisory fees are based on assets under management, the following fee schedule will be in place. The fee schedule is subject to negotiation. Fees may be reduced but never increased from the stated schedule. The assets under management fees are payable quarterly. However, the management fees might be calculated and payable quarterly in advance based on the value of the assets in an account as of the last business day of the preceding calendar quarter. The firm may also elect to be billed at the end of each quarter cycle.

Assets under Management	Fee Schedule (Annually)
Up to \$99,999	3.00% (300BPs)
\$100,000 to \$249,999	2.75% (275BPs)
\$250,000 to \$499,999	2.50% (250BPs)
\$500,000 to \$999,999	2.00% (200BPs)
\$1 Million to \$1.49 Million	1.50% (150BPs)
\$1.5 Million to \$1.99 Million	1.00% (100BPs)
\$2 Million and up	.50% (50BPs)

For advisory services that are provided outside of third party money managers, and are not based on the amount of assets under management, an investment advisory representative may charge an hourly fee for investment advice. The maximum hourly charge that an IAR may charge is \$250 per hour. The minimum charge is \$50.00 per hour. Between the hourly rate of \$50.00 per hour and \$250.00 per hour, rates may be negotiable between the advisor and the client. The actual hourly rate may be determined by any number of factors that may include the amount of research, time, and resources that an IAR may have to expend in providing the advice. This list is not all-inclusive. The hourly rate must be mutually agreed upon between the client and the advisor, and the rate disclosed in writing, prior to any advisory services being offered.

Neither Quest Capital Strategies, Inc nor any supervised person accepts performance based fees.

## **CONSULTING SERVICES**

Quest Capital Strategies (QCS) offers consulting services to individual and institutional clients, which may consist of providing investment portfolio review or investment monitoring services. The consulting services will include data collection, analysis, plan construction, implementation and monitoring of the portfolio. Monitoring and periodic review will be conducted via the review of daily trades and monthly statements in conjunction with market related events. Based upon the aforementioned, suitability will

be reviewed and may result in adjustments. Consulting services are generally provided on an hourly basis, at an hourly rate up to \$250.00 subject to negotiation.

Consulting services may also be provided on a fixed fee basis as negotiated with the client. Charges for consulting services will be billed to the clients.

Consulting services provided include but are not limited to the following schedule of fixed fees.

Financial Analysis \$75/hour	Retirement planning \$75/hour
Risk Management \$50/hour	Securities Analysis \$75/hour
Personal Risk Management Review \$50/hour	
Insurance Coverage Analysis \$50/hour	Financial Goals \$50/hour

Fixed fees would vary with the complexity of the situation and amount of time involved. Level of complexity would depend on but not limited to the following situations:

- Type of Account (Trust, Corporate, Estate, Partnership, etc.)
- Dollar Amount Involved
- Special Needs of Advisory Clients

## **FINANCIAL PLANNING SERVICES PROGRAM**

Pursuant to the Financial Planning Services Program, QCS offers personalized financial planning consultation services to its clients.

1. Financial Planning consultation services may include advice on the following topics:
  - Financial Planning and Analysis
  - Personal Risk Management Review
  - Retirement Planning
  - Asset Allocation

The fee for this service will be negotiable and can be up to \$250/hour. At the time the client enters into a financial planning agreement with QCS, he or she will be informed of the services to be provided and the estimated total fee. The actual fee may be lower or higher than the estimated amount and will be billed at the conclusion of the financial planning services being provided. Charges for consulting services will be billed to the client. When a financial plan is created and NO fee is charged the individual who prepares the plan will receive commissions through the dealer.

A written financial plan may include advice on the bulleted topics above. The fee for a financial plan varies depending upon the complexity of the client's financial circumstances and the analysis that the client desires.

The recommendations provided to clients will be valid for a period up to 30 days after date of delivery. QCS is not responsible for any material changes to assumptions and criteria used to make the recommendations provided herein which are beyond its control.

It is possible that because of differing client needs and circumstances, recommendations made to any one client may be contrary to recommendations made to other clients. The client is under no obligation to act upon recommendations. If the client elects to act on any of the recommendations, the client is under no obligation to affect the transactions through QCS or any other investment adviser recommended by QCS.

In providing a financial plan or financial planning consultation services, QCS will not do a detailed analysis of a particular security. Rather, the analysis will utilize such financial planning techniques as the review of the client's financial circumstances, investment goals, and where appropriate, tax considerations.

BE AWARE that some fees may be excessive to those of comparable services in the market place, and that similar services may be obtained at lower fees.

There are no fees charged to the client prior to services being rendered. Any contract may be terminated by either party by submitting a request in writing 30 days in advance.

The IAR typically gathers information from the client about the client's financial situation, investment objectives, and reasonable restrictions the client wants imposed on the management of the account; periodically reviews reports provided to the client and consults with the client; contacts the client at least annually to review with the client the client's financial situation and objectives; communicates information to the third party investment advisor as warranted; and assists the client in understanding and evaluating the services provided by the third party investment advisor. Clients will be reminded to notify the IAR of any changes in their financial situation, investment objective or account restrictions. Clients may also directly contact the third party advisor managing the account.

If mutual funds or variable annuities are used in these programs, the fees mentioned above are in addition to the internal management fees, sales charge and expenses paid by the mutual funds or variable annuity companies to their separate investment advisors. In addition, variable annuity companies generally impose mortality and/or rider charges on such accounts. These fees and expenses are described in each fund or variable annuity prospectus. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in mutual funds or variable annuities directly, without the services of Quest Capital. In that case, the client would not receive the services provided by Quest Capital and its IARs which are designed, among other things, to assist the client in determining which portfolio of mutual funds or other securities are most appropriate to the client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds or variable annuity and the fees charged by Quest Capital to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory service being provided.

There may be a conflict of interest when the client chooses to have a variable annuity product managed by a third party money manager. Registered Representatives and

Investment Advisor Representative may receive a broker-dealer commission in addition to a percentage of the advisory fees when the client purchases a new variable annuity policy and requests to add Quest Capital's advisory services to the policy.

The advisory fees deducted from the variable annuity accounts are taxable to the client upon withdrawal. In addition, if the client is under 59 ½, withdrawals, including withdrawals for advisory fees, may be subject to a 10% federal tax penalty as well as other income tax.

Clients will receive or have on-line access to a statement of their account(s) at least quarterly, which includes the amount of any fees paid directly to the third party investment advisor. Quest Capital, through its IARs or the third party investment advisor (if also a broker-dealer), may act as broker dealer in connection with the program and may receive additional compensation.

### **Legal and Tax Services**

Representatives will not render any legal or tax advice in connection with the client's financial plan or consultation. This provision does not apply to those representatives who are qualified to offer legal and or/tax services outside of the advisory agreement through a separate entity that is not affiliated with Quest Capital. In the event a client wishes to retain a qualified representative for legal and/or tax services outside the scope of the advisory agreement, those services must be provided in a separate agreement between the client and representative.

A conflict may exist between the interests of Quest Capital or its representatives and the interests of the client. The client is under no obligation to act upon Quest Capital's or its representative's recommendations. If the client elects to act on any of the recommendations, the client is under no obligation to effect transactions through Quest Capital. Quest Capital representatives may recommend investments to clients on which the client may also pay advisory fees and/or broker- dealer commissions to Quest Capital if the transaction is effected through Quest Capital.

### **Termination of a Client**

An advisory client has the right to terminate the contract without penalty within five(5) business days after entering into the contract. When a client terminates the contract, the fees will be pro-rated.

## **Item 6 Performance-Based Fees and Side by Side Management**

Quest Capital does not utilize a performance based fee structure due to potential conflict of interest issues and does not utilize side by side management

## **Item 7           Types of Clients**

Quest Capital Strategies clients shall generally include individuals, business entities, trusts, estates and charitable organizations.

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

Quest Capital Strategies, Inc. utilizes the following methods of security analysis:

Charting (analysis performed using patterns to identify common trends and trend reversals to forecast the direction of prices)

Fundamental (analysis performed on historical and present data, with the goal of making financial forecasts)

Technical (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

Quest Capital Strategies, Inc. will utilize the following strategies when implementing investment advice to clients: Long Term Purchases (securities held at least a year), Short Term Purchases, (securities sold within a year) and Trading(securities sold within (30) days)

Please Note: Investment Risk. Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Quest Capital Strategies) will be profitable or equal any specific Performance level(s).

Quest Capital Strategies, Inc methods of analysis and investment strategies do not present any significant or unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis Quest Capital Strategies, Inc must have access to current/new market information. Quest Capital has no control over the dissemination rate of market information; therefore, unbeknownst to Quest Capital, certain analyses may be compiled with outdated market information, severely limiting the value of Quest Capital analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values.

There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

Quest Capital's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example longer term investment strategies require a longer investment time period to allow for the strategy to



Potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

Currently, Quest Capital's primarily allocates client investment assets primarily among various individual equity and fixed income securities, mutual funds and/or exchange traded funds ("ETFs"), on a discretionary and non-discretionary basis in accordance with the client's designated investment objective(s).

The investment strategy for a client is based upon the objectives, income needs and tax situation stated by the client during consultations with their advisor. The client may change these objectives at any time. Each client portfolio is constructed solely for that client.

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

Quest Capital Strategies Inc. and its employees have not had any disciplinary issues related to events within the investment advisory business.

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

Quest Capital Strategies, Inc. is registered as a securities broker-dealer with the Financial Industry Regulatory Authority (FINRA) and the Securities and Exchange Commission (SEC) and is a member of the Securities Investors Protection Corporation (SIPC). Quest Capital's primary business is that of a securities broker-dealer. Individuals who provide broker-dealer services through Quest Capital to broker-dealer clients are registered representatives with FINRA and the states where they provide these services to clients through the firm.

Quest Capital is also a broker of insurance products such as variable annuities, life insurance, long-term care insurance, fixed annuities, and other insurance products. Registered Representatives and Investment Advisor Representative of Quest Capital are independent contractors and not employees of Quest Capital. Certain Registered Representatives and Investment Advisor Representative may own, operate, be employed by or otherwise maintain affiliations with other business entities such as insurance agencies, law firms, real estate or mortgage companies, investment advisors, and/or accounting firms. Certain Registered Representatives of Quest Capital's broker-dealer may have their own registered investment advisory businesses.

The Independent Registered Investment Advisor (IRIA) firms are separate business entities and are not under common control and ownership with Quest Capital's Independent Registered Investment Advisor. Any advice or action taken by a client pursuant to an agreement with an Independent Registered Investment Advisor is strictly the responsibility or obligation of the Independent Registered Investment Advisor and not the responsibility or obligation of Quest Capital as an investment advisor.

The third party money managers currently utilized are the following:

American Financial Management, Avatar Associates, BTS, Eqs Capital, Flexible Plan management, FTJ Fund Choice, Fund Quest Inc., Lockwood Advisors, PVG Asset Management, RB Capital Management, Summit Alliance Investment Group and The Institute for Wealth Management..

Quest Capital Strategies Inc. receives fees from the above mentioned third party money managers when referring clients to them.

Neither Quest Capital Strategies, Inc. nor any of its management personal has any relationship or arrangement with any issuer of securities.

## **Item 11            Code of Ethics**

Prospective or existing clients may request a copy of Quest Capital's Code of Ethics (CoE) by contacting the Compliance Department in Laguna Hills, California at 949-830-4885.

The policy of Quest Capital is to protect the interests of each of the firm's clients and to place the client's interests first and foremost in each and every situation. The firm's fiduciary duty also includes providing full and fair disclosure of all relevant facts and a potential or actual conflicts of interest, a duty of loyalty and good faith, providing recommendations that are suitable, and seeking best execution of all client transactions, where possible, among other things.

### **Code of Ethics**

Quest Capital Strategies, Inc. ("Quest") takes our code of ethics seriously and enforces it at all times. We understand the importance of trust and complying with both federal and state regulations pertaining to investment advisory services. Under Section 204A of the Investment Advisers Act of 1940, investment advisors are required to establish, maintain, and enforce policies designed to prevent the misuse of non-public information by the investment advisor and its associates. Under Section 206 of the Investment Advisers Act of 1940, investment advisers are prohibited from engaging in any device, scheme, or artifice to defraud any existing or prospective client. By law, Quest is required to act in our client's best interests.

1. All employees of Quest will at all times, place the interests of its clients before their own. We will not make any recommendations to purchase or sell any security or service without reasonable belief that the purchase or sale is appropriate or reasonable based on information provided by the client.
2. Every employee will comply with all applicable federal and state securities laws, and will exercise reasonable care and professional judgment at all times
3. Quest employees and representatives will not only maintain their competence, but will also strive to improve their competence encourage others in the organization t
4. All information concerning the financial circumstances of clients, their identity, and personal information, and securities holdings will be treated in the strictest confidence.
5. All employees of Quest shall read and understand Quest Capital Strategies, Inc.'s Code of Ethics and observe those standards at all times.
6. Employees of Quest will report all required personal securities activities to the Chief Compliance Officer, as required by the SEC. With regards to personal securities transactions, Quest employees will avoid any conflict of interest and will not abuse the position of trust and responsibility or take inappropriate advantage of that position.
7. Quest employees will report any discovered violations of the Code of Ethics promptly to the Chief Compliance Officer. For employees reporting code violations, any action taken against them in the form of retaliation will be viewed negatively and may result in termination of employment by the offending party.
8. Failure to comply with this code will result in disciplinary action, which may include termination of registration and employment
9. The Code of Ethics is available on the Quest Capital Website at [www.questcapital.com](http://www.questcapital.com). A copy is provided to all new employees of the firm as well as being sent to existing employees by email or regular mail.

## **Item 12 Brokerage Practices**

As a registered broker-dealer, Quest Capital may execute securities transactions for clients. Quest Capital and its Registered Representatives and Investment Advisor Representative may receive both advisory fees and broker-dealer commissions and fees for sales of annuity products that will be placed under advisory services. Clients will be clearly informed of the service that is being offered (advisory services or broker-dealer products) before execution of any transaction.

When offering Advisory services through third parties, it is not envisioned that there will be any conflicts of interest in this area. However, at times, it is possible that Quest Capital and/or its access persons may take positions in the same securities as clients, and we will try to avoid conflicts with clients. Quest Capital and its access persons will generally be “last in” and “last out” for the trading day when trading occurs in close proximity to client trades. We will not violate our fiduciary responsibilities to our clients. Scalping (trading shortly ahead of clients) is prohibited. Should a conflict occur because of materiality (i.e. a thinly traded stock), disclosure will be made to the client(s) at the time of trading. Incidental trading not deemed to be a conflict (i.e. purchase or sale which is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price), would not be disclosed at the time of trading.

All access persons of Quest Capital must report securities holdings and personal securities transactions to the Chief Compliance Officer or designee, whether the transactions are done through Quest Capital or outside the firm with a third party. Quest Capital has developed internal policies and procedures to review and monitor personal securities transactions of its access persons.

In order to meet its fiduciary responsibilities, Quest Capital has developed the following restrictions: A director, officer, or employee of Quest Capital shall not buy securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No person of Quest Capital shall prefer his/her own interest to that of the advisory client. Quest Capital emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where Quest Capital is granted discretionary authority in the client's account. All clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process. However, it should be noted that the only compensation received by individuals during the initial purchase of any investment is in the case of the purchase of a variable annuity policy. Quest Capital requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices. Any individual not in observance of the above may be subject to termination. Quest Capital Strategies Inc does not receive soft dollars benefits from our custodian.

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

A.        All portfolios are reviewed at least quarterly, or, in case of a customer inquiry, as needed. The reviews are conducted by Registered principals in the Compliance Department. Currently, the reviews are conducted by James Melton and Kenneth Yuen. The Investment Advisory Representative also reviews the account quarterly. The reviews may include asset allocation updates and rebalancing, performance reviews, cash flows and suitability in accord with the clients investment objectives. There are approximately 20 advisory accounts and the firm is able to monitor the accounts on

record with the above mentioned staff. As this portion of the business grows, the firm will add additional staff as needed to make sure that all accounts are monitored on a regular basis.

B. All investment advisory clients receive written status reports on a quarterly basis, at a minimum. These reports may contain the following information: a valuation of the portfolio at a specific time, transaction history, and unrealized or realized gains or losses.

Pursuant to an executed Limited Power of Attorney Agreement, Quest Capital may exercise discretion in specific accounts for specific purposes. Quest Capital does not have discretion to choose the broker dealer, block trades, negotiating commissions with broker dealers or obtaining volume discounts or necessarily obtaining the best price.

Client commission schedules would be at Rock Bottom Plus schedule. This refers to the lowest fee that the firm charges on a transaction. This charge is enough to cover the ticket charge from our clearing firm with a portion retained by Quest Capital. The adviser does not receive any portion of this fee. The rates are similar to other discount firms. The client fee schedule will be disclosed to clients with investment contract

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

Quest Capital Strategies may receive referrals from current clients, attorneys, accountants, employees, personal friends of employees and other sources. The firm does not pay for referrals. Quest Capital Strategies does not accept referral fees or any form of compensation from other professionals when a prospect or client is referred to them.

#### **Item 15 Custody**

Quest Capital Strategies shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation and regular written summary statements from the broker-dealer custodian. Quest Capital Strategies or its representatives may also provide approved written periodic repots summarizing account activity and performance.

Clients who have their advisory fee debited directly from their custodial account are urged to compare any written report provided by Quest Capital Strategies or its representatives with the account statements received from the custodian to verify that the correct advisory fee was deducted from their custodial account. Please be advised that the account custodian does not verify the accuracy of the advisory fee calculation.

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

Quest Capital Strategies accepts discretionary authority to mange accounts on behalf of clients. The firm has the authority to determine, without obtaining specific client consent,

the securities to be bought or sold and the amount of the securities to be bought or sold. Absent written authorization from the client, all transactions will be verified with the client prior to execution.

Third party investment managers have full discretion and do not consult with Quest Capital Strategies or with clients prior to placing trades.

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

Quest Capital Strategies, Inc. does not vote client proxies. Clients maintain exclusive responsibility for: directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and make all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Quest Capital Strategies Inc. to discuss any questions they may have with a particular solicitation.

#### **Item 18      Financial Information**

Quest Capital Strategies, Inc. does not have any financial impairment that will preclude the firm from meeting its contractual commitments regarding the servicing of client accounts.

A balance sheet is not required to be provided due to the fact that Quest Capital Strategies is not the custodian for client funds and securities and does not require payment of fees of more than \$1200.00 per client, six months or more in advance.

Please contact James Melton, Chief Compliance Officer with any questions that you may have regarding the above disclosures and arrangements including our Business Continuity Plan and our Privacy policy.

Quest Capital Strategies Inc. does not have discretionary authority or custody of client funds or securities and does not require or solicit prepayment of more than \$500.00 in fees per client six months in advance.

**Item 19            Requirements for State Registered Advisers  
Principal Executive Officers and Management Persons**

James T. Melton II  
Year of Birth 1964  
Santa Ana College, (AA)  
10/2013 - Present CEO Quest Capital  
1/2012 - 9/2013 Retired  
5/1989 - 12/2011 Jefferies & Co, Inc.  
11/1987 – 4/1989 JMC Investment Services Inc.

Kenneth Yuen, CFP, ChFC  
Year of Birth 1974  
Cal State University, Los Angeles, CA  
Received CFP from University of Phoenix  
2/2014 – Present Compliance Officer Quest Capital  
05/2011 – 2/2014 Chief Compliance Officer Quest Capital  
01/2006 - 05/2011 Operations Principal Quest Capital  
11/2004-11/2005 US Allianz  
03/2002- 10/2004 Pruco Securities  
03/2001-03.2002 Hami Securities  
08/2002-Present Blue Cross

Carolyn Tsai  
Year of Birth 1956  
China Medical University, Taiwan, BA  
04/2013-10/2013 CEO  
11/2002-Present, Director of Quest Capital  
11/2002-Present, Chief Financial Officer at Quest Capital

All of the above are located at the following address:

23832 Rockfield Blvd. Suite 130  
Lake Forest CA 92630  
949-830-4885

Part 2B of Form ADV: Brochure Supplement

Quest Capital Strategies, Inc.  
23832 Rockfield Blvd. Suite 130  
Lake Forest CA 926  
949-830-4885

This supplement provides information regarding investment advisory representatives (supervised persons) that supplements the Quest Capital Strategies, Inc. brochure. You

should have received a copy of that brochure. Please contact the Quest Capital Strategies Compliance Department at 949-830-4885 if you did not receive the Quest Capital Strategies brochure or if you have any questions about the contents of this supplement.

Additional information about any of the supervised persons is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### Education and Business Standards

Quest Capital Strategies, Inc. requires all CFP investment advisory representatives to meet the following requirements:

1. Have at least three year's experience in insurance, investment, accounting, or financial planning;
2. Hold the Series 65 Investment Adviser Representative license or its equivalent;
3. Subscribe to the Code of Ethics of the National Association of Personal Financial Advisers (NAPFA) and the CFP Board of Standards;
4. Be properly licensed for all advisory activities in which they are engaged.

#### Professional Certifications

##### **CERTIFIED FINANCIAL PLANNER™**

5. **CERTIFIED FINANCIAL PLANNER™, CFP®** and federally registered CFP (with flame design) marks are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. The **CFP®** Certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold **CFP®** certification.

To attain the right to use the **CFP®** marks, an individual must satisfactorily fulfill the following requirements:

#### Education

To take the CFP® Certification Examination, you will need to be knowledgeable in all of areas covered by the financial planning topic list. There are three ways to complete the educational requirement: CFP Board-Registered Programs, Challenge Status or Transcript Review. Candidates for certification must have a bachelor's degree (or higher), or its equivalent, in any discipline, from an accredited college or university in order to obtain CFP® certification. The bachelor's degree requirement is a condition of initial certification; it is not a requirement to be eligible to take the CFP® Certification Examination and does not have to occur before sitting for the exam.

#### Examination

After you have successfully met the education requirement, you will be eligible to apply for the CFP® Certification Examination. The CFP® Certification Examination assesses



your ability to apply your financial planning knowledge, in an integrated format, to financial planning situations. Combined with the education and experience requirements, it assures the public that you have met a level of competency appropriate for professional practice.

## Experience

Because CFP® certification indicates to the public your ability to provide financial planning without supervision, CFP Board requires you to have experience in the financial planning process. Three years of full-time relevant personal financial planning experience is required.

## Ethics

When you have completed the education, examination and experience components of the CFP® certification process, you will be directed to complete the CFP® Certification Application asking you to disclose whether you have been a party (or involved) in any criminal, civil, governmental, or self-regulatory agency proceeding or inquiry. CFP® certification also requires you to agree to adhere to CFP Board's *Code of Ethics and Professional Responsibility, Rules of Conduct* and *Financial Planning Practice Standards*, and acknowledge CFP Board's right to enforce them through its *Disciplinary Rules and Procedures*.

Individual who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the **CFP®** marks:

Once you have been authorized to use the CFP® marks, you must meet CFP Board's renewal standards to continue to use them. You must keep current with the annual certification fee and complete the continuing education (CE) requirement every two years. In order to position you in the correct period, your initial continuing education (CE) requirement and certification fee are prorated.

The renewal requirements are 1) certification application, 2) annual \$325 certification fee (non-refundable), and 3) 30 hours of CE every two years. The CE requirement includes 28 hours in the accepted financial planning topics and two hours from a pre-approved program on CFP Board's *Standards of Professional Conduct*.

**CFP®** professionals who fail to comply with the above standards and requirements may be subjective to CFP Board's enforcement process, which could result in suspension or permanent revocation of the **CFP®** certification.

## Charter Financial Consultant – ChFC

Professional designation given by the American College, Bryn Mawr, Pennsylvania ([www.theamericancollege.edu](http://www.theamericancollege.edu)). It is conferred upon candidates who will provide financial planning services for clients. To earn the ChFC designation the candidate must

complete ten courses, six required and four electives. The six required courses are: (1) financial services, (2) income taxation, (3) financial statement analysis/individual insurance benefits, (4) investments, (5) estate and gift tax planning, and (6) financial and estate planning applications.

### Experience

Three years of full-time business experience is required for all Huebner School designations. The three-year period must be within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience. Part-time qualifying business experience is credited toward the three-year requirement on an hourly basis, with 2,000 hours representing the equivalent of one year full-time experience. The following activities meet the required business experience qualifications included in the ChFC® certification process.

### Continuing Education

All ChFC®s who matriculated after June 30, 1989 are subject to the PACE Recertification Program. If you are a ChFC® who falls into any of the following specified categories, you are required to earn 30 hours of CE credit every two years:

Licensed insurance agent/broker/consultant

Licensed security representative/registered investment advisor

Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

If you have earned all 30 CE credits through The American College, you do not have to sign and file a statement of compliance. The College will record CE credits you earned at The College and notify you when you have met the requirements.

If you are a ChFC® subject to PACE but do not fall into one of the above categories, you are exempt from the CE requirements. You will be required to notify The College of your exempt status every reporting period, as long as the exemption applies.

### **Corporation for Long-Term Care Certification – CLTC**

The CLTC Board of Standards, Inc. (Board), now owns the CLTC designation and is responsible for establishing, maintaining, and enforcing the high standards of conduct associated with the designation. The Board operates independently from the Corporation for Long-Term Care Certification, Inc. (CLTCC) which created the designation. The Board of Standards is responsible for continuing to foster the designation's professional standards in the field of long - term care planning and is responsible for creating and enforcing uniform standards of competency, practices, and ethics.

### **Chartered Life Underwriter – CLU**

To receive the CLU® designation, you must successfully complete all courses in your

selected program, meet experience requirements and ethics standards, and agree to comply with The American College Code of Ethics and Procedures.

### Experience

Three years of full-time business experience is required for all Huebner School designations. The three-year period must be within the five years preceding the date of the award. An undergraduate or graduate degree from an accredited educational institution qualifies as one year of business experience. Part-time qualifying business experience is credited toward the three-year requirement on an hourly basis, with 2,000 hours representing the equivalent of one year full-time experience. The following activities meet the required business experience qualifications included in the CLU® certification process.

### Continuing Education

All CLU®s who matriculated after June 30, 1989 are subject to the PACE Recertification Program. If you are a CLU® who falls into any of the following specified categories, you are required to earn 30 hours of CE credit every two years:

Licensed insurance agent/broker/consultant

Licensed security representative/registered investment advisor

Financial consultant, attorney, accountant, employee benefits specialist, and any other individual who provides insurance, employee benefits, financial planning, or estate planning advice and counsel to the public

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If you are a CLU® subject to PACE but do not fall into one of the above categories, you are exempt from the CE requirements. You will be required to notify The College of your exempt status every reporting period, as long as the exemption applies.