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**FORM ADV PART 2A.  
BROCHURE**

**This brochure provides information about the qualifications and business practices of J. J. Burns & Company. If you have any questions about the contents of this brochure, please contact us at 631-390-0500. 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 J.J. Burns & Company is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for J.J. Burns & Company is**

**J.J. Burns & Company 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.**

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## Advisory Business

Form ADV Part 2A, Item 4

J.J. Burns & Company's registration was granted by the U.S. Securities and Exchange Commission on May 15, 2006. James Joseph Burns, CFP (CRD Number 1746094) is Owner and Chief Compliance Officer of the Firm. Mr. Burns owns one hundred (100%) percent of the equity of the Firm. The Firm is not publicly owned or traded. There are no indirect owners of the Firm or intermediaries who have any ownership interest in the Firm. The Firm manages each client's portfolio on an individualized basis. Clients may impose restrictions on their accounts. The Firm does not participate in wrap programs. As of December 31, 2014, the Firm managed assets on a discretionary basis in the amount of \$190,265,659, representing 863 accounts.

All of the Firm's professional activities and advisory billings shall be attributable to the provision to clients of investment supervisory services. Specifically, the Firm will provide asset management services to clients in exchange for compensation based upon assets under management. No fee is based on capital gains or capital appreciation of assets. No fee is payable more than six months in advance. The Firm has no custody of client funds or securities. Fees are payable quarterly in arrears as follows:

Assets under <u>Management</u>	Annual <u>Fee</u>	Quarterly <u>Billing</u>
Under \$2,000,000	1.50%	.375%
\$2,000,001 - \$5,000,000	1.25%	.3125%
Over \$5,000,000	1.00%	.25 %

The Firm will receive fees directly from the client's account. However The Firm is in compliance with the most recent custody rule as promulgated by the securities regulators and, as such, there is no custody result. In essence, the advisory client receives account information on a monthly basis sent directly to such advisory client by the "Qualified Custodian".

The Firm will provide financial planning advice to clients based upon written and oral presentations provided by clients as to determine specific needs. A portion of this fee will be payable upon initial engagement with the balance of the fee due and payable upon delivery and completion of the financial plan charged quarterly in advance and will range from \$500 - \$10,000 per annum based upon complexity. Fees will not be due until our written report is delivered and any and all agreements can be terminated at any time by the client who shall be refunded any unearned fees. Any fee charged is negotiable. Because mutual funds pay management fees to their investment advisers and such fees are therefore indirectly charged to all holders of mutual fund shares, clients with mutual funds in their portfolios are effectively paying both the Firm and the mutual fund adviser for the management of their assets. Clients who place mutual fund shares under the Firm's management are therefore subject to both the Firm's direct management fee and the indirect management fee of the mutual fund's adviser.

The Firm affects certain securities trades through "Prime Broker" which is a program that enables us to obtain global access to global analysts. Trading costs may be more or less than those obtained through Schwab. There is an additional charge of \$25.00 on each Prime Broker trade.

***Fees and Compensation***

Form ADV Part 2A, Item 5

See Item 4, above.

***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

None.

***Types of Clients***

Form ADV Part 2A, Item 7

Individuals, pension plans, profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

## *Methods of Analysis, Investment Strategies and Risk of Loss*

Form ADV Part 2A, Item 8

Our primary method of investment analysis is fundamental analysis.

**Fundamental analysis** involves analyzing individual companies, mutual funds, exchange-traded funds (ETF's) and their respective peer/industry groups. Other securities, including (but not limited to) individual debt issues, may also be reviewed as warranted. We review a number of statistics and criteria, such as a company's / fund's financial statements, expertise of management, and the outlook for the fund's / company's industry or management objective. The resulting data is used to create a thesis regarding the expected value of the security under review. The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of expected return. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

### **Material Risks Involved**

**All investing strategies we offer involve risk and may result in a loss of your original investment which you should be prepared to bear.** Many of these risks apply equally to stocks, bonds, commodities and any other investment or security. Material risks associated with our investment strategies are listed below.

**Market Risk:** Market risk involves the possibility that an investment's current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Strategy Risk:** The Adviser's investment strategies and/or investment techniques may not work as intended.

**Small and Medium Cap Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Turnover Risk:** At times, the strategy may have a portfolio turnover rate that is higher than other strategies. A high portfolio turnover would result in correspondingly greater brokerage commission expenses and may result in the distribution of additional capital gains for tax purposes. These factors may negatively affect the account's performance.

**Limited markets:** Certain securities may be less liquid (harder to sell or buy) and their prices may at times be more volatile than at other times. Under certain market conditions we may be unable to sell or liquidate investments at prices we consider reasonable or favorable, or find buyers at any price.

**Concentration Risk:** Certain investment strategies focus on particular asset-classes, industries, sectors or types of investment. From time to time these strategies may be subject to greater risks of adverse developments in such areas of focus than a strategy that is more broadly diversified across a wider variety of investments.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes. Most other investments are also sensitive to the level and direction of interest rates.

**Legal or Legislative Risk:** Legislative changes or Court rulings may impact the value of investments, or the securities' claim on the issuer's assets and finances.

**Inflation:** Inflation may erode the buying-power of your investment portfolio, even if the dollar value of your investments remains the same.

### **Risks Associated with Securities**

Apart from the general risks outlined above which apply to all types of investments, specific securities may have other risks.

**Commercial Paper** is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default.

**Common stocks** may go up and down in price quite dramatically, and in the event of an issuer's bankruptcy or restructuring could lose all value. A slower-growth or recessionary economic environment could have an adverse effect on the price of all stocks.

**Corporate Bonds** are debt securities to borrow money. Generally, issuers pay investors periodic interest and repay the amount borrowed either periodically during the life of the security and/or at maturity. Alternatively, investors can purchase other debt securities, such as zero coupon bonds, which do not pay current interest, but rather are priced at a discount from their face values and their values accrete over time to face value at maturity. The market prices of debt securities fluctuate depending on such factors as interest rates, credit quality, and maturity. In general, market prices of debt securities decline when interest rates rise and increase when interest rates fall. The longer the time to a bond's maturity, the greater its interest rate risk.

**Bank Obligations** including bonds and certificates of deposit may be vulnerable to setbacks or panics in the banking industry. Banks and other financial institutions are greatly affected by interest rates and may be adversely affected by downturns in the U.S. and foreign economies or changes in banking regulations.

**Municipal Bonds** are debt obligations generally issued to obtain funds for various public purposes, including the construction of public facilities. Municipal bonds pay a lower rate of return than most other types of bonds. However, because of a municipal bond's tax-favored status, investors should compare the relative after-tax return to the after-tax return of other bonds, depending on the investor's tax bracket. Investing in municipal bonds carries the same general risks as investing in bonds in general. Those risks include interest rate risk, reinvestment risk, inflation risk, market risk, call or redemption risk, credit risk, and liquidity and valuation risk.

**Options and other derivatives** carry many unique risks, including time-sensitivity, and can result in the complete loss of principal. While covered call writing does provide a partial hedge to the stock against which the call is written, the hedge is limited to the amount of cash flow received when writing the option. When selling covered calls, there is a risk the underlying position may be called away at a price lower than the current market price.

**Exchange Traded Funds** prices may vary significantly from the Net Asset Value due to market conditions. Certain Exchange Traded Funds may not track underlying benchmarks as expected.

**Investment Companies Risk.** When a client invests in open end mutual funds or ETFs, the client indirectly bears its proportionate share of any fees and expenses payable directly by those funds. Therefore, the client will incur higher expenses, many of which may be duplicative. In addition, the client's overall portfolio may be affected by losses of an underlying fund and the level of risk arising from the investment practices of an

underlying fund (such as the use of derivatives). ETFs are also subject to the following risks: (i) an ETF's shares may trade at a market price that is above or below their net asset value; (ii) the ETF may employ an investment strategy that utilizes high leverage ratios; or (iii) trading of an ETF's shares may be halted if the listing exchange's officials deem such action appropriate, the shares are de-listed from the exchange, or the activation of market-wide "circuit breakers" (which are tied to large decreases in stock prices) halts stock trading generally. The Adviser has no control over the risks taken by the underlying funds in which client's invest.

#### ***Disciplinary Information***

None.

Form ADV Part 2A, Item 9

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

Form ADV Part 2A, Item 10

Anthony LaGiglia is a registered representative of North Ridge Securities Corp., a registered broker/dealer with FINRA and SIPC. Mr. LaGiglia sells insurance products and accepts compensation for the sale of insurance, securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. 1. This practice presents a conflict of interest and gives Mr. LaGiglia an incentive to recommend investment products based on the compensation received, rather than on a client's needs. The Firm will recommend no-load mutual funds in certain circumstances 2. Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with us. 3. The Firm charges advisory fees and Mr. LaGiglia may receive commission income as a result of product sales. Advisory fees generally are not off-set by commission income.

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

Form ADV Part 2A, Item 11

The Firm has adopted a written Code of Ethics in compliance with SEC Rule 204A-1. The code sets forth standards of conduct and requires compliance with federal securities laws. Our code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the Firm. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

In the unlikely event that the interests of the Firm's account would happen to correspond with an advisory client's interests, full disclosure would be made to such client at once.

It is further noted that the Firm is in and shall continue to be in total compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, Firm has adopted a firm wide policy statement outlining insider trading compliance by the Firm and its associated persons and other employees. This statement has been distributed to all associated persons and other employees of the Firm and has been signed and dated by each such person. A copy of such firm wide policy is left with such person and the original is maintained in a master file. Further, the Firm has adopted a written supervisory procedures statement highlighting the steps which shall be taken to implement the Firm wide policy. These materials are also distributed to all associated persons and other employees of the Firm, are signed, dated and filed with the insider trading compliance materials. There are provisions adopted for (1) restricting access to files, (2) providing continuing education, (3) restricting and/or monitoring trading on those securities of which Firm's employees may have non-public information, (4) requiring all of Firm's employees to conduct their trading through a specified broker or reporting all transactions promptly to Firm, and (5) monitoring the securities trading of the Firm and its employees and associated persons.

Firm or individuals associated with Firm may buy or sell securities identical to those recommended to customers for their personal account.

It is the express policy of Firm that no person employed by Firm may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

Firm or any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client. As these situations may represent a conflict of interest, Firm has established the following restrictions in order to ensure its fiduciary responsibilities:

- 1) A director, officer or employee of Firm shall not buy or sell 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 Firm shall prefer his or her own interest to that of the advisory client.
- 2) Firm maintains a list of all securities holdings for itself, and anyone associated with this advisory practice. These holdings are reviewed on a regular basis by James Joseph Burns.
- 3) Firm requires that all individuals must act in accordance with all applicable federal and state regulations governing registered investment advisory practices.
- 4) Any individual not in observance of the above may be subject to termination.



## ***Brokerage Practices***

Form ADV Part 2A, Item 12

Firm participates in Charles Schwab & Co.'s Schwab Advisor Services (SAS) program. While there is no direct linkage between the investment advice given and participation in the SI program, economic benefits are received which would not be received if Firm did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving SI participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access, for a fee, to an electronic communication network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. Schwab Advisor Services does pay for, in part, certain administrative systems used for the operations of J. J. Burns. Schwab Advisor Services also pays expenses incurred by Mr. Burns and his staff to attend conferences. This support is not dependent on commissions or fees associated with advisory clients.

The benefits received through participation in the SAS program do not depend upon the amount of transactions directed to Charles Schwab & Co., Inc.

The Firm may recommend or require that clients establish brokerage accounts with the Schwab Advisor Services Division of Charles Schwab and Company, Inc. ("Schwab") a registered broker dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. The Firm is independently owned and operated and not affiliated with Schwab. Schwab provides the Firm with access to its institutional trading and custodial services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them, so long as a total of at least \$10,000,000 of the advisor's client's assets are maintained in an account at Schwab Advisor Services, and are not otherwise contingent upon advisor committing to Schwab any specific amount of business (assets in custody or trading). Schwab services include brokerage, 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.

For the Firm's clients accounts maintained in its custody, Schwab generally does not charge separately for custody but is compensated by account holders through commissions or other transaction related fees for securities trades that are executed through Schwab that settle into Schwab accounts.

Schwab also makes available to the Firm other products and services that benefit the Firm but may not benefit its clients' accounts. Some of these other products and services assist the Firm 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 executions and allocation of aggregated trade orders for multiple client accounts, provide research, pricing information, and other market data, facilitate payment of the Firm's fees from its clients accounts, and assist with back office functions, record keeping, and client reporting.) Many of these services generally may be used to service all or a substantial number of the Firms' accounts, including accounts not maintained at Schwab Advisor Services. Schwab Advisor Services also makes available to the Firm other services intended to help the Firm manage and help to further develop its business enterprise. These services may include consulting, publications, and conferences on practice management, information technology, business successions, regulatory compliance, and marketing. In addition, Schwab may make available, arrange and/or pay for these types of services rendered to the Firm by independent third parties. Schwab Advisor Services may discount or waive fees that would otherwise charge for some of these services or pay all or a part of the fees to a third party providing these services to the Firm.

While as a fiduciary, the Firm endeavors to act in its client's best interest, the Firm's recommendation or requirement that clients maintain their assets in accounts at Schwab may be based in part on the benefit to the Firm 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 Schwab, which may create a potential conflict of interest.

### ***Review of Accounts***

Form ADV Part 2A, Item 13

Mr. Burns and Mr. LaGiglia will monitor all client accounts on a continuous basis and will issue a report on a quarterly basis. All reviews will be undertaken by Mr. Burns

### ***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

See Item 10, above.

### ***Custody***

Form ADV Part 2A, Item 15

None.

### ***Investment Discretion***

Form ADV Part 2A, Item 16

The Firm will have the authority without first obtaining specific client consent to buy and sell securities, to determine the amount of securities to be bought or sold, to determine the broker or dealer to be used and to determine the commission rates paid. Schwab Advisor Services is the broker/dealer used by the Firm. Custom and standards within the securities industry will be considered by The Firm in order to determine the reasonableness of Schwab's commissions and the decision to select Schwab.

***Voting Client Securities***

Form ADV Part 2A, Item 17

The Firm does not vote proxy statements on behalf of advisory clients.

***Financial Information***

Form ADV Part 2A, Item 18

Because the Firm does not receive fees more than six months in advance, no financial reporting is required in this section of the narrative.