

**QuadCap Wealth Management, LLC**

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**3/16/2015**

**This brochure provides information about the qualifications and business practices of QuadCap Wealth Management, LLC. If you have any questions about the contents of this brochure, please contact us at 972-818-2400. 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 QuadCap Wealth Management, LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for QuadCap Wealth Management, LLC is 151490.**

**QuadCap Wealth Management, 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.**

## **Material Changes**

This Brochure is an annual amendment and is filed pursuant to SEC's requirements and rules. The material changes in this Brochure from the last annual updating amendment of QuadCap Wealth Management, LLC on March 14, 2014 are described below. This list summarizes changes to policies, practices or conflicts of interests only.

- The firm may refer clients to separate account managers and those managers may charge fees in advance. All fees will be disclosed in the separate manager's advisory contract (Items 4, 5 and 10)
- The firm no longer sponsors or manages a wrap fee program (Item 4)

Our Brochure may be requested by contacting us at 972-818-2400 or [dblair@quadcapwm.com](mailto:dblair@quadcapwm.com). Clients may receive a copy of our brochure at any time without charge.

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## **Advisory Business**

QuadCap Wealth Management, LLC (“Advisor”) provides asset management services defined as giving continuous investment advice to a client and making investments for the client based on the individual needs of the client. Through this service, Advisor offers a highly customized and individualized investment program for clients. A specific asset allocation strategy and investment policy is crafted to focus on the specific client’s goals and objectives. Advisor typically constructs portfolios consisting of securities and investments including, but not limited to, equity securities, corporate debt securities, certificates of deposit, municipal securities, mutual funds, United States government securities, option contracts, and real estate.

David Blair is President and Chief Compliance Officer of QuadCap Wealth Management, established since 2009. Mr. Blair is the sole owner of the Advisor. An educational and business background for Mr. Blair is provided below:

### **David Blair**

Date of Birth: 10/19/1971

### **Education Background:**

Juris Doctor - SMU Dedman School of Law, BBA – Siena College

### **Business Background:**

President – QuadCap Wealth Management, LLC: 2009 – Present

President – Chestnut Energy Partners: 2008 – 2009

Private Consultant: 2007

VP Financial Counseling – The Ayco Company, L.P., a Goldman Sachs Company:  
2000 – 2007

As part of its asset management services, Advisor may provide clients with financial planning services that may be specific or modular in their preparation (unique to each client in their depth of preparation). Topics included as part of the financial planning services may include the following: organization and assessment, retirement planning, education planning, long-term care, insurance planning, debt management, investments, tax planning, estate planning, and life events.

Advisor will charge a separate or additional fee for financial planning services provided as part of its asset management services. The scope of services provided and topics covered will be detailed in the client agreement for services.

Advisor offers a customized and individualized investment program for clients. A specific asset allocation strategy and investment policy is crafted to focus on the specific client’s goals and objectives. At the discretion of the Advisor, client may impose restrictions on investing in certain securities or types of securities.

Advisor may direct clients to third party money managers. Advisor will be compensated via a

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fee share from the advisors to which it directs those clients. The fees shared will not exceed any limit imposed by any regulatory agency. Before selecting other advisors for clients, Advisor will always ensure those other advisors are properly licensed or registered as an investment advisor.

Advisor manages client assets. As of December 31, 2014 the Advisor's assets under management totaled the following:

Discretionary Assets Under Management: \$136,773,861.00

Discretionary Number of Client Accounts: 315

The Advisor does not have any non-discretionary totals to report.

### **Fees and Compensation**

#### Asset Management Fees

Clients are charged for Advisor's asset management services based on a percentage of assets under management according to the following fee schedule:

#### Fixed Income Asset Management

Total Assets	Fixed Income Asset Management
\$5,000,000 +	0.30%
\$0 - \$4,999,999	0.40%

#### Equity Asset Management

Total Assets	Equity Asset Management
\$100,000 +	1.00%
\$0 - \$100,000	\$50 per year minimum (At Advisor Discretion)

The fee is calculated and payable at the end of each calendar quarter, and is based upon the value of assets being managed by QuadCap Wealth Management, LLC. Fees will be prorated based on the number of days that services are provided when the account is established or terminated at any time other than the beginning of a calendar quarter. Advisor prefers to have its advisory fees deducted directly from the client's account. In these cases, clients must provide the custodian (i.e. TD Ameritrade) with written authorization to have fees deducted from the account and paid to Advisor. Upon discretion of Advisor, clients may pay fees directly to Advisor. For clients that pay directly, payment is due upon receipt of a billing statement from Advisor. Custodian delivers quarterly or monthly account statements to clients. Among other details, account statements list disbursements for the account including the amount of the advisory fee when deducted directly from the account.

#### Financial Planning

You are advised that fees for planning services are strictly for planning services. Therefore, you may pay fees and/or commissions for additional services obtained such as asset

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management or products purchased such as securities or insurance.

### Selection of Outside Managers

Advisor may direct clients to third party money managers. Advisor will be compensated via a fee share from the advisors to which it directs those clients. This relationship will be disclosed in each contract between FIRM and each third party adviser. The fees shared will not exceed any limit imposed by any regulatory agency. . Fees are paid quarterly in advance. Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. Clients may terminate the contract without penalty, for full refund of the adviser's fees, within five business days of signing the contract. Thereafter, client may terminate the contract with thirty days written notice.

Fees are negotiable. Your fees will be dependent on several factors including time spent with QuadCap Wealth Management LLC, number of meetings, complexity of your situation, amount of research, services requested and staff resources.

QuadCap Wealth Management LLC's flat annual fee for consulting services ranges from \$3,500 to \$12,000 per year. One-half of the estimated fee is due thirty (30) days after the engagement letter is signed, and the balance is due six (6) months thereafter.

In the event you opt to discontinue the financial planning arrangement prior to its completion, QuadCap Wealth Management LLC will calculate the amount due based upon the agreement in force and amount of time completed on the project, and will either issue a refund for your unused balance, or QuadCap Wealth Management LLC will provide an invoice for work that has been provided with any remaining balance due, taking into account your deposit made at the arrangement's inception.

### Other Fees

Brokerage commissions and/or transaction ticket fees charged by the custodian will be billed directly to the client. Advisor will not receive any portion of such commissions or fees from the custodian or client. In addition, clients may incur certain charges imposed by third parties other than the advisor in connection with investments made through the account, including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, variable annuity fees and surrender charges, and IRA and qualified retirement plan fees. Fees charged by Advisor are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Advisor does not accept or require the prepayment of fees in advance. The Client is free to choose its broker/dealer of choice and is under no obligation to utilize the services of TD Ameritrade. However, the financial advisors of Advisor may suggest that Clients use TD Ameritrade as the custodian of choice.

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

Advisor does not participate in performance-based fees or side-by-side management.

## **Types of Clients**

The types of clients the Advisor generally provides investment advice to includes, but is not limited to, individuals, high net worth individuals, trusts, estates, charitable organizations, corporations or businesses.

The Advisor does not have a minimum account size requirement although all accounts are accepted at Advisor's sole discretion.

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

The Advisor may use some or all of the following methods of analysis: Quantitative, Fundamental, Technical, or Cyclical in formulating its investment strategies for giving investment advice or managing client assets. Each client should be aware that securities investing involves risk of loss and should be prepared to bear any such loss of that investment.

Reallocation of investments may incur trading costs and income taxes. Investing involves the risk of fluctuation in the value of the investments. No method of analysis can eliminate this risk of value fluctuations or prevent losses.

Advisor does not primarily recommend a particular type of security that may involve significant or unusual risks.

## **Disciplinary Information**

There is no reportable disciplinary information to disclose on the Advisor or its investment adviser representatives.

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

Advisor or its management persons are not registered and do not have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, a broker-dealer or a registered representative of a broker-dealer, at this time.

Advisor does not have any relationship or arrangement that is material to its advisory business or to its clients that Advisor or management persons have with any related person resulting in a conflict of interest.

Advisor may direct clients to third party money managers. Advisor will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be disclosed in each contract between Advisor, Client and each third party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in

that Advisor has an incentive to direct clients to the third party money managers that provide Advisor with a larger fee split. Advisor will always act in the best interests of the client, including when determining which third party manager to recommend to clients. Advisor will ensure that all recommended advisors or managers are licensed or notice filed in the states in which Advisor is recommending them to clients.

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

Advisor and its associated persons are subject to a Code of Ethics that imposes certain procedures, disclosures, and/or restrictions designed to avoid conflicts of interest between Advisor and its clients. As enforced through one or more of the following provisions:

- Generally clear in advance with a principal all securities transactions in which they have a direct or indirect interest except transactions in government securities, banker's acceptance notes, bank certificates of deposit ("CD"), commercial paper and mutual fund shares.
- Request duplicate confirms or statements be sent to Advisor's compliance officer.
- Provide a quarterly statement of transactions to Advisor's compliance officer.

An investment adviser is considered a fiduciary according to the Investment Advisers Act of 1940. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Advisor has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for the advisor's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures. Advisor requires all of its supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Advisor has the responsibility to make sure that the interests of all clients are placed ahead of Advisor's or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. Advisor and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. Should a client or a potential client wish to review advisor's Code of Ethics, a copy will be provided promptly upon written request.

Advisor does not participate in principal transactions. However, Advisor or its personnel may invest for their own accounts or have a financial interest in the same securities or other investments that the firm recommends or acquires for the accounts of its clients, and may engage in transactions that are the same as or different than transactions recommended to or made for client accounts. Such transactions are permitted if effected, pre-cleared and reported in compliance with Advisor's policy on personal securities transactions. Generally, personal securities transactions will not be pre-cleared when an order for the same or a related security is pending for the account of a client. Reports of personal transactions in securities by Advisor personnel are reviewed by the firm's compliance department quarterly or more frequently if required.



Advisor and its associated persons may buy or sell securities that are also recommended to clients. In order to minimize this conflict of interest, securities recommended by Advisor are widely held and publicly traded. In addition, in accordance with its fiduciary duty to clients, Advisor and its associated persons will place client interests ahead of their own interests.

### **Brokerage Practices**

Advisor does not have soft dollar arrangements or arrangements where the commission generated transaction is directed toward a third party or in-house party in exchange for services that are for the benefit of the client but are not client directed.

The Client is free to choose its broker/dealer of choice and is under no obligation to utilize the services of TD Ameritrade. However, the financial advisors of Advisor may suggest that clients use TD Ameritrade for implementation of recommendations.

Advisor may aggregate the purchase or sale of securities for various client accounts.

In accordance with its fiduciary duty to clients, Advisor and its Financial Advisors will place client interests ahead of their own interests.

### **Review of Accounts**

Account reviews are provided in connection with asset management accounts. For clients participating in this program, one or both of the Advisor's representatives will contact clients at least annually for the purpose of reviewing their account and to determine if there have been changes in their financial situation or investment objectives. The calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market. The underlying investments held in client accounts are reviewed on a more frequent basis. Portfolios are usually reviewed as frequently as weekly, and not less than monthly. Triggering factors for changes to underlying portfolios include the relative valuation changes between asset classes, valuation of the individual security, or economic or political changes that change the perceived risk/reward ratio of a sector or sub-sector of the global or national economy.

Stand-alone financial planning services terminate upon completion of such services and full payment of all fees due. Therefore, no reviews are conducted for these clients. If clients elect to have a review and update to an original consultation, additional fees may be charged and clients may be required to sign a new client agreement.

Client investment portfolios are reviewed on an on-going basis. For financial plans, the calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market.

Clients will receive account statements directly from the custodian. Statements will be

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delivered no less than quarterly but as frequent as monthly. In addition, Advisor may provide quarterly newsletters covering general financial and investment topics, explaining current views of the global economies and factors driving investment decisions.

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

Advisor does not directly or indirectly compensate any person for client referrals.

### **Custody**

Advisor does not have custody of client funds or securities.

### **Investment Discretion**

Upon receiving written authorization from the client, Advisor provides discretionary investment advisory services for client accounts. Advisor's discretionary authority will be granted by the client in the client agreement. When discretionary authority is granted, it is limited in that Advisor will only be given discretionary trading authority. This authority will allow Advisor to determine the type of securities and the amount of securities that can be bought or sold for the client portfolio without obtaining the client's consent for each transaction.

### **Voting Client Securities**

Advisor does not perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the information provided. Upon request from the client, Advisor may provide limited clarifications of the issues presented in the proxy voting materials based on Advisor's understanding of issues presented in the proxy-voting materials. However, the client will have the ultimate responsibility for making all proxy-voting decisions.

### **Financial Information**

Advisor does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Advisor does not foresee any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients.

Advisor has not been the subject of a bankruptcy petition at any time during the past ten years.