

**Item 1. Cover Page**

Part 2A of Form ADV: Firm Brochure



5807 63<sup>rd</sup> Street, Suite 300  
Lubbock, TX 79424

Phone: 806 798-1880  
Fax: 806 798-0083  
[www.bonner-smith.com](http://www.bonner-smith.com)

Contact: Susan D. Smith, Chief Compliance Officer

Bonner & Smith, LLC is a fee only registered investment advisor registered with the SEC with its principle place of business located in Lubbock, TX. The term “registered investment adviser” and being “registered” does not imply a certain level of skill or training.

**This brochure provides information about the qualifications and business practices of Bonner & Smith, LLC. If you have any questions about the contents of this brochure, please contact us at (806) 798-1880 and/or [info@bonner-smith.com](mailto:info@bonner-smith.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 Bonner & Smith, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

Part 2A of Form ADV: Firm Brochure

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|--|---|----------------|--------------------------------------|--------------|----------------------------|-------------------|
| Name of Investment Advisor<br><b>Bonner &amp; Smith, LLC</b> |   |                | SEC File Number<br><b>801- 81163</b> |              | Date:<br><b>09/13/2016</b> |                   |
| Address:   | Number and Street                       | City           | State                                | Zip Code     | Area Code:                 | Telephone Number: |
|  | <b>5807 63<sup>rd</sup> St, Ste 300</b> | <b>Lubbock</b> | <b>TX</b>                            | <b>79424</b> | <b>806 798-</b>            | <b>1880</b>       |

**Item 2. Material Changes**

Material changes discussed are only changes since the last annual update of brochure,  
Date of the last annual update of your *brochure*. 09/13/2016.

The material changes since the last annual update are:

Page 3 Item 4. Advisory Business:

Section E. Assets under management and total accounts as referenced on 03/21/2016

**Item 3. Table of Contents**

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|---|-------------------------------|---------------------|

**Item 4. Advisory Business**

- A. Bonner & Smith, LLC is a fee only investment advisor registered with the SEC. We have been providing investment advice and planning services since 1996.  
The principal owners and advisors are Raymond Keith Bonner and Susan D. Smith.

## B. Services Provided:

Bonner & Smith, LLC provides fee only financial planning and portfolio management services with discretionary trading authority to individuals and/or small businesses. Services include general financial planning, portfolio design and active management, daily monitoring of portfolios, personal interaction with clients, performance reporting and tax advantaged investing.

Bonner & Smith has two service levels for financial planning and portfolio management. The Wealth Builder Portfolio has a \$1,000,000 minimum and the Account Builder Portfolio, which is a limited service account for clients that don't meet our Wealth Builder Portfolio minimums.

We offer 401(k), 403(b) and other workplace savings plans management services.

- C. Bonner & Smith, LLC follows the financial planning process of getting to know our clients; gathering and analyzing financial documents, establishing goals and developing a customized plan. We work with our client to implement and monitor the stated goals. Clients may impose restrictions on investing in certain securities or investment types.

- D. Bonner & Smith, LLC does not participate in wrap fee programs.

Bonner & Smith, LLC custodies accounts at Fidelity Investments Institutional Wealth Services. Bonner & Smith, LLC requires each client to open one or more investment accounts with Fidelity Investments. We use American Funds Group to custody 529 college accounts.

- E. Assets under management and total number of accounts as of 09/13/2016

|                    | U.S. Dollar Amount | Total Number of Accounts |
|--------------------|--------------------|--------------------------|
| Discretionary:     | \$ 123,533,797     | 765                      |
| Non-Discretionary: | \$ 0.00            | 0                        |
| Total:             | \$ 123,533,797     | 765                      |

Name of Investment Advisor  
Bonner & Smith, LLC

SEC File Number  
801- 81163

Date:  
09/13/2016

### Item 5. Fees and Compensation

- A. The Bonner & Smith, LLC portfolio management agreement authorizes account management fee deductions by Fidelity Investments. Fees are recalculated quarterly and must be paid in advance based account values on the last day of the previous ending quarter i.e. assets are calculated on December 31, March 31, June 30 and September 30. One third of the quarterly fee will be deducted (debited) directly from the client's brokerage account(s) on the first of each month. Fees will be reported on your monthly Fidelity statement as an advisor fee.

#### Management Fees Percentage of assets under managment:

| Management Fees:  | Annually | Quarterly |
|-------------------|----------|-----------|
| First \$250,000   | 1.50%    | .375%     |
| Next \$250,000    | 1.00%    | .25%      |
| Next \$500,000    | .75%     | .1875%    |
| Next \$1,500,000  | .60%     | .15%      |
| Next \$2,500,000  | .50%     | .125%     |
| Above \$5,000,000 | .35%     | .0875%    |

Management fees are not negotiable.

#### Fee example:

Billing period Jan 1 - Mar. 31 Value of assets managed on Dec 31st \$365,729.50

\$250,000 @ .375 % = \$937.50

\$115,729.50 @ .25% = 289.32

\$937.50 + 289.32 = 1226.82

\$1226.82 / 3 = \$408.94 billed per month for Jan 1, Feb 1, Mar 1

Assets will be recalculated for quarter ending Mar 31

#### Hourly and Fixed Financial Planning Fee Schedule:

We offer financial planning services for an hourly fee of \$150.00 or a negotiated fixed fee depending on the services provided and length of the engagement. Fees and payment options will be agreed upon before services begin. Payment terms are negotiable; a client may make installment payments depending on the length of the planning services.

#### Hourly and Financial Planning Fee Examples:

Hourly fee: client needs review of estate plan, 2 hours at \$150 hr; \$300 fee

Negotiated fee: client needs 6 months of budget and debt reduction, reviewed monthly, \$600 fee.

- B. Mutual funds, including money market mutual funds, charge management fees which are deducted from the mutual funds and are in addition to any fee charged by Bonner & Smith, LLC. Funds may also be subject to redemption fees, short-term trading fees, transaction fees, or a low-balance fee. Fees are detailed in Item 12 Brokerage Practices of this brochure.

403(b) accounts may be subject to an annual fee. Fidelity Investments charges an account closing fee.

Upon reasonable advance notice we reserve the right to increase charges or fees for the services we provide.

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**Item 5. Fees and Compensation continued:**

**C. Contract Termination:**

If an advisory contract is terminated before the end of the billing period, unearned fees will voluntarily be returned to the client by Bonner & Smith, LLC. Unearned fees are calculated by prorating the number of days remaining in the current month. The Portfolio Management Agreement may be terminated by either the client or Bonner & Smith, LLC at any time for any reason by written notice. Client are given the option to have a comparable portfolio constructed of Fidelity funds, have the investments liquidated and held in a money market fund, or leave the investments in the model portfolio. If the investments are left in the model portfolio which includes advisor class funds, additional fees may be charged at liquidation to the client. Client may terminate anytime without penalty from Bonner & Smith, LLC.

- D.** Bonner & Smith, LLC has no financial conflicts of interest regarding compensation for recommending investments, advice or referrals to other providers. Registrant receives no commissions or payments of any kind from anyone other than our clients as a fee for planning and asset management services. .

**Item 6. Performance Based Fees and Side By Side Management**

Bonner & Smith, LLC does not charge performance-based fees.

**Item 7. Types of Clients**

Bonner & Smith, LLC primarily provides services to individual investors. Keith Bonner and Susan Smith take a team approach to investment management and financial planning. We currently manage assets that include individual investors, corporate profit sharing plans, and trusts. We specialize in working with employees in the oil and gas industry.

Account Minimums:

Wealth Builder Portfolios - \$1,000,000 minimum

Account Builder Portfolios - limited service accounts for clients that don't meet our Wealth Builder Portfolio \$1,000,000 minimum.

Pre-retiree clients are required to make a monthly savings commitment.

We do not co-manage accounts with clients or act on investment tips from clients or third parties. We will have trading authorization which authorizes Bonner & Smith, LLC to act as agent to purchase and sell securities for your account, but does not allow for distribution of funds from the account.

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

- A. Bonner & Smith, LLC uses various methods of analysis for formulating investment advice and model portfolios including
- Charting
  - Fundamental analysis
  - Technical analysis

The sources of information used for analysis and research are

- Financial publications
- Annual reports
- Prospectuses
- Internet based data sources

- B. Client model portfolios are designed based on long-term investment periods, risk tolerance, and tax considerations. Mutual funds and ETFs are the primary investments used in designing model portfolios. There are occasions where CDs may be purchased in an account.
- C. Investing in securities, mutual funds, bonds, and equities involves risk of loss and periodic declines that clients should be prepared to tolerate. Before investing, consider the funds' investment objectives, risks, charges, and expenses. Past performance is no guarantee of future results.

**Item 9. Disciplinary Information**

Bonner & Smith, LLC has not been the subject of any disciplinary actions.

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

- A. Neither Bonner & Smith, LLC nor its representatives, are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither Bonner & Smith, LLC, nor its representatives are registered or have an application pending to register as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. Bonner & Smith, LLC has no material relationship or arrangements that would create a conflict of interest with clients. No representatives of Bonner & Smith, LLC are licensed agents of an insurance company or agency.
- D. Bonner & Smith, LLC may recommend the services of other professionals for implementing a client's financial plan, but never directly or indirectly receives compensation or commissions for these referrals. Bonner & Smith, LLC never compensates any person directly or indirectly for referrals.

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| Bonner & Smith, LLC        | 801- 81163      | 09/13/2016 |

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

- A. As a fiduciary, Bonner & Smith, LLC has a duty of utmost good faith to act solely in the best interests of each of our clients. Our clients entrust us with their funds, which in turn places a high standard on our conduct and integrity. This fiduciary duty is the core principle underlying this Code of Ethics and Personal Trading Policy, and represents the expected basis of all of our dealings with our clients. The interests of clients will always be placed ahead of the firm's or any management person's own interests.

Bonner & Smith, LLC has implemented an investment policy relative to personal securities transactions. This investment policy is part of applicants overall Code of Ethics which serves to establish a standard of business conduct that is based upon fundamental principles of integrity, honesty and trust. The interests of Bonner & Smith, LLC correspond with the interests of their clients.

In accordance with section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

Bonner & Smith, LLC will provide a copy of our Personal Trading Policy upon request.

Bonner & Smith, LLC has adopted the Certified Financial Planner Board of Standard's Code of Ethics and Professional Responsibility

These Code of Ethics' Principles express the profession's recognition of its responsibilities to the public, to clients, to colleagues and to employers. They apply to all CFP Board designees and provide guidance to them in the performance of their professional services. Every 2 years CFP® practitioners must complete a Code of Ethics course and agree to adhere to the following principles.

Principle 1 - Integrity  
Principle 2 - Objectivity  
Principle 3 - Competence  
Principle 4 - Fairness  
Principle 5 - Confidentiality  
Principle 6 - Professionalism  
Principle 7 - Diligence

- B. Neither Bonner & Smith, LLC nor its representatives recommends, buys or sells for client accounts, securities in which the Registrant or any related person of Bonner & Smith, LLC has a material financial interest.
- C. Bonner & Smith, LLC and its representatives invest in the same funds that are bought and sold for our clients' accounts. Because of the nature of mutual funds, no conflict of interest exists as the applicant is unable to affect the price. Transactions for client portfolios take precedence over transactions for applicant's personal portfolios whenever changes are made to model portfolios.
- D. Bonner & Smith, LLC and its representatives may buy or sell securities at or around the same time as those securities are recommended to clients. Because of the nature of mutual funds, no conflict of interest exists as the applicant is unable to affect the price.

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## Item 12. Brokerage Practices

- A. Bonner & Smith, LLC does not have any affiliation with product sales firms although the vast majority of firm assets are custodied at Fidelity Investments. Bonner & Smith recommends Fidelity Investments as the custodian, but doesn't have the authority to determine commission rates charged to client accounts by Fidelity Investments. Trading fees charged by Fidelity are reviewed on a regular basis.

Consistent with our fiduciary obligations, Bonner & Smith, LLC seeks best execution in all transactions and services. Bonner & Smith LLC is confident in Fidelity Investment's trading and brokerage practices that provide quality execution. Fidelity Investments and American Funds Group have a reputation of integrity and financial management expertise. In addition, Fidelity Investments provides us with an extensive range of products and services that enable Bonner & Smith LLC to service our clients and their accounts. Fidelity Investments and American Funds both have low expense ratios and no or low transaction fees.

Bonner & Smith, LLC has selected Fidelity Investments as custodian for our client's assets after evaluating the following factors:

Client service-

Monthly statements, confirmations, annual tax reporting,

24/7 access to account at [www.fidelity.com](http://www.fidelity.com),

Extensive investment offering, including low cost mutual funds

Custody fees - none

Support to Bonner & Smith, LLC - dedicated operations team, depth of reporting and automated operations support through Fidelity Institutional Wealth Services

Low costs - competitive stock and mutual fund transaction fees.

American Funds custodies the 529 College Savings Accounts for Bonner & Smith, LLC.

### 1. Research and Other Soft Dollar Benefits

In addition, although not a material consideration when determining whether to recommend that a client utilize the services of Fidelity Investments or American Funds, Bonner & Smith, LLC may receive without cost or at a discount, support services and/or products which assist Bonner & Smith, LLC to better monitor and service client accounts maintained at Fidelity Investments or American Funds. There are no conflicts of interest as these benefits apply to all of our client's accounts.

### 2. Brokerage for Client Referrals. Bonner & Smith, LLC does not receive referrals from broker-dealers.

### 3. Directed Brokerage: Bonner & Smith does not recommend, request or require that a client direct trading or brokerage transactions to a specified broker-dealer.

- B. Bonner & Smith, LLC does not aggregate or utilize block trading for the purchase or sale of securities. Mutual funds are the primary investment used for model portfolios and are not eligible for aggregate trading.



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**Item 13. Review of Accounts**

- A. Portfolios are reviewed on a continual basis. Workplace plans are typically reviewed on a quarterly or as needed basis. All reviews are done by the investment committee, consisting of Keith Bonner, CFP® and Susan D. Smith, CFP®
- B. Reviews not involving all accounts may be triggered by one or more of the following: change in investment objectives or risk tolerance, tax considerations, cash added or withdrawn.
- C. Clients receive account statements monthly or quarterly from Fidelity Investments. In addition, clients receive confirmations of all account activity, a year-end statement and a year-end tax statement (for taxable accounts) from Fidelity Investments.  
Wealth Builder Portfolio clients receive a quarterly statement from Bonner & Smith, LLC. This statement includes the current balance, amount and percentage of gain (loss) for each portfolio for the current period and year-to-date

**Item 14. Client Referrals and Other Compensations**

- A. Bonner & Smith, LLC has no arrangements with a non-client, oral or in writing, where cash, sales awards, prizes or an economic benefit is received or paid for providing investment advice or other advisory services to our clients.
- B. Bonner & Smith, LLC does not directly or indirectly compensate any person for client referrals.

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### **Item 15. Custody**

Bonner & Smith, LLC does not have custody and is not authorized to take possession of client securities or funds.

Wealth Builder clients receive quarterly account statements from Bonner & Smith, LLC and monthly statements from Fidelity Investments . Under the Investment Advisers Act of 1940 rule 206(4)-2, clients are urged to compare information provided in statements from the advisor and the qualified custodian in account opening notices and subsequent statements. (modified March 5, 2010)

We may not have signatory power over a client's checking or custodial account;

Advisors may not serve as trustee over a client's account, unless the client is an immediate family member of the advisor;

All wires from client custodial accounts to outside (i.e., non-client) accounts must be accompanied by client authorization;

Bonner & Smith, LLC may have limited authority to transfer assets between client accounts maintained at one or more qualified custodians with written signed standing instructions by client; a copy of the client authorized instructions will be submitted to the qualified custodian;

Bonner & Smith, LLC does not act as trustee or have power of attorney over any client accounts or assets.

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

Bonner & Smith, LLC obtains written limited discretionary authority to manage accounts on behalf of its clients; to determine the securities and the amount of securities to be bought or sold for a client's account without seeking client consent for each transaction.

Exchanges can only be made in or between accounts of the same registration, or client name. Bonner & Smith, LLC and client enter into a written management agreement defining the terms and responsibilities of both parties.

|                            |                 |            |
|----------------------------|-----------------|------------|
| Name of Investment Advisor | SEC File Number | Date:      |
| Bonner & Smith, LLC        | 801- 81163      | 09/13/2016 |

**Item 17. Voting Client Securities**

- A. Bonner & Smith, LLC does not vote the proxies of securities in client accounts that are not part of our model portfolios. As a fiduciary, we understand that we have certain duties and obligations with respect to the voting of proxies in connection with mutual funds owned by our clients who authorize us to vote their shares. It is the policy of Bonner & Smith, LLC to vote all proxies over which it has voting authority in the best interest of shareholders. Clients will have the option when opening accounts to receive proxies or select Bonner & Smith, LLC to vote proxies and receive shareholder annual reports. Mutual funds and ETFs are the components in our model portfolios. Bonner & Smith LLC will not vote a proxy if its determined there are conflicts of interest. Clients that hold individual securities should direct shareholder services to deliver proxies to their address of record.
- B. A copy of the Bonner & Smith, LLC Proxy Voting Policy and/or how Bonner & Smith, LLC voted proxies for the client is available to clients, without charge upon request.

**Item 18. Financial Information**

- A. Bonner & Smith, LLC does not require or solicit prepayment of more than \$500 in fees per *client*, six months or more in advance.
- B. Bonner & Smith, LLC has limited discretionary authority to determine the securities and the amount of securities to be bought or sold for a client's account. Bonner & Smith, LLC does not have any financial conditions that would impair our ability to meet contractual commitments to clients.
- C. Bonner & Smith, LLC has not been subject to a bankruptcy petition.

|                            |                 |            |
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| Name of Investment Advisor | SEC File Number | Date:      |
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**Item 19. Business Continuity**

Bonner & Smith has a Disaster Recovery and Business Continuity Plan in place that provides steps to address business interruptions.

The Business Continuity Plan considers natural disasters and man-made disasters in its plan, such as flooding, damage to physical facilities, loss of electrical power, and data/communication lines. Electronic files are backed up daily and archived offsite. Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location. Loss of Key Personnel has also been addressed to provide client support in the event of the serious disability or death of any single professional.

See Bonner & Smith, LLC Continuity and Succession Plan Manual

**Part 2B of Form ADV: *Brochure Supplement***

**Item 1 Cover Page**

A.

Raymond Keith Bonner

Firm Information  
Bonner & Smith, LLC  
5807 63<sup>rd</sup> Street, Suite 300  
Lubbock, TX 79424  
806 798-1880

Date of the supplement  
February, 16 2015

B. **This brochure supplement provides information about Raymond Keith Bonner that supplements the Bonner & Smith, LLC brochure. You should have received a copy of that brochure. Please contact Bonner & Smith, LLC if you did not receive Bonner & Smith, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Raymond Keith Bonner is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2 Educational Background and Business Experience**

Education and Business Background Principal Officers:

Name:

Raymond Keith Bonner Year of Birth: 1954

Education:

B.S. (Mathematics) - Lubbock Christian College, 1976

CERTIFIED FINANCIAL PLANNER™ Professional\*, 1988

Life and Health Insurance Counselor April 2007\*\*

Past 5 Years:

Bonner & Smith, LLC Partner, Investment Advisor January 2007 to present

\* *CERTIFIED FINANCIAL PLANNER™ Professional*,

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").

**Item 2 continued**

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 73,000 individuals have obtained CFP® certification in the United States.

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination.
- Experience – Because CFP® certification indicates to the public your ability to provide financial planning without supervision, CFP Board requires you to have three years of professional experience in the financial planning process, or two years of apprenticeship experience that meets additional requirements. Qualifying experience may be acquired through a variety of activities and professional settings including personal delivery, supervision, direct support or teaching, and;
- Ethics – Agree to be bound by CFP Board’s *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals 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:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics*
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care.

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

**\*\* Life and Health Insurance Counselor**

Issuing organization, Texas Department of Insurance. Exam required through Prometric, exam requirement waived for CLU, ChFC or CFP® designation holders. License fee and continuing education 30 hours every 2 years with 2 hours ethics.

**Item 3 Disciplinary Information**

None

**Item 4 Other Business Activities**

- A. The supervised person has no other business activities or occupation. No supervised person is a registered representative of a broker-dealer.
- B. The supervised person is not actively engaged in any non-investment related business or occupation for compensation. No supervised person is a licensed agent of an insurance company or agency.

**Item 5 Additional Compensation**

The only economic benefit received is for providing advisory services to clients. No economic benefits are received or paid from sales awards and other prizes.

**Item 6 Supervision**

Bonner & Smith, LLC has implemented a policy and procedures manual that addresses conflicts of interests and risks. Raymond Keith Bonner is a principal owner and advisor. Susan D. Smith is the Chief Compliance Officer (CCO), and can be contacted at 806 798-2919 for questions regarding advisory activities on behalf of Bonner & Smith, LLC.

**Item 7 Requirements for State-Registered Advisers**

- A.
  - 1. The supervised person has never been involved or otherwise found liable in an arbitration claim any investment related wrong doing.
  - 2. The supervised person has never been involved or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding.
- B. The supervised person has never been the subject of a bankruptcy petition.

## Part 2B of Form ADV: *Brochure Supplement*

### Item 1 Cover Page

A.

Susan D. Smith

Firm Information  
Bonner & Smith, LLC  
5807 63<sup>rd</sup> Street, Suite 300  
Lubbock, TX 79424  
806 798-1880

Date of the supplement  
February 16, 2015

**B. This brochure supplement provides information about Susan D. Smith that supplements the Bonner & Smith, LLC brochure. You should have received a copy of that brochure. Please contact Bonner & Smith, LLC if you did not receive Bonner & Smith, LLC's brochure or if you have any questions about the contents of this supplement.**

**Additional information about Susan D. Smith is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

### Item 2 Educational Background and Business Experience

Name:

Susan D. Smith Year of Birth: 1957

Education:

Series 63 Uniform Securities Agent, 1999

Series 7 General Securities Representative, 2000

Series 66 Uniform Combined State Law, 2002

CERTIFIED FINANCIAL PLANNER™ Professional\*, 2005

Certified Estate Planning Specialist™ (CES)\*\* July 2007

Past 5 Years:

Bonner & Smith, LLC Partner, Investment Advisor, January 2007 to present

\* *CERTIFIED FINANCIAL PLANNER™ Professional*,

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the "CFP® marks") are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board").



**Item 2 continued**

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 73,000 individuals have obtained CFP® certification in the United States.

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

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas, and attain a Bachelor's Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board's financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination.
- Experience – Because CFP® certification indicates to the public your ability to provide financial planning without supervision, CFP Board requires you to have three years of professional experience in the financial planning process, or two years of apprenticeship experience that meets additional requirements. Qualifying experience may be acquired through a variety of activities and professional settings including personal delivery, supervision, direct support or teaching. ; and
- Ethics – Agree to be bound by CFP Board's *Standards of Professional Conduct*, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals 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:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the *Code of Ethics*
- Ethics – Renew an agreement to be bound by the *Standards of Professional Conduct*. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care.

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

**\*\* Certified Estate and Trust Specialist™**

Issuing organization is Institute of Business & Finance.

Prerequisites/Experience required is a bachelor's degree, or 1 year of financial services work experience in addition to completing the CES™ educational program.

The CES™ is designed to be a self study program consists of six modules.

There are three non-cumulative exams and one case study. A written case study is required. Designees must abide by a Code of Ethics and complete 30 hours of continuing education every 2 years.

**Item 3 Disciplinary Information**

None

**Item 4 Other Business Activities**

- A. The supervised person has no other business activities or occupation.
- B. The supervised person is not actively engaged in any non-investment related business or occupation for compensation.

**Item 5 Additional Compensation**

The only economic benefit received is for providing advisory services to clients. No economic benefits are received from sales awards and other prizes.

**Item 6 Supervision**

Bonner & Smith, LLC has implemented a policy and procedures manual that addresses conflicts of interests and risks. Susan D. Smith is a principal owner and advisor. Susan D. Smith is the Chief Compliance Officer (CCO), and can be contacted at 806 798-2919 for questions regarding advisory activities on behalf of Bonner & Smith, LLC.

**Item 7 Requirements for State-Registered Advisers**

- A. 1. The supervised person has never been involved or otherwise found liable in an arbitration claim any investment related wrong doing.
- 2. The supervised person has never been involved or otherwise been found liable in a civil, self-regulatory organization, or administrative proceeding.
- B. The supervised person has never been the subject of a bankruptcy petition.