

Portfolio Advisory Council, L.L.C.

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Houston, TX 77046

713-574-6015

[www.pacadvisory.com](http://www.pacadvisory.com)

March 2017

This Brochure provides information about the qualifications and business practices of Portfolio Advisory Council, L.L.C. If you have any questions about the contents of this Brochure, please contact us at 713-574-6015. 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.

Portfolio Advisory Council, L.L.C. is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Portfolio Advisory Council, L.L.C. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **Material Changes**

This Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting W. Thomas Sutton, OSJ Supervisor at 713-574-6015 or [wtsutton@pacadvisory.com](mailto:wtsutton@pacadvisory.com). Our Brochure is also available on our web site [www.pacadvisory.com](http://www.pacadvisory.com), also free of charge.

Additional information about Portfolio Advisory Council, L.L.C. is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Portfolio Advisory Council, L.L.C. who are registered, or are required to be registered, as investment adviser representatives of Portfolio Advisory Council, L.L.C.

There have been no material changes to this document.

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## **Advisory Business**

Portfolio Advisory Council, L.L.C. was originally organized and registered with the U.S. Securities and Exchange Commission in September of 1986 as W. Thomas Sutton & Co. DBA. Business operations were conducted under this name until 1995 when Mr. Sutton changed the name of the company to Portfolio Advisory Council. As a DBA, sole proprietor business was transacted until August 1998 when Portfolio Advisory Council, L.L.C. ("PAC, LLC" or "Advisor") was formed.

Our independence allows us to work in the best interest of our clients. We do not have any sales quotas set by a home office. Instead, we focus on what is best for our clients and their financial goals. Our clients receive unbiased recommendations and impartial guidance based directly on their needs and goals. We do financial planning and investment management. We also specialize in retirement planning as well as business retirement plans, such as 401ks, pension consulting profit sharing plans, and defined benefit plans. People prefer to work with those they know and trust. From our beginning in 1986, client service and objective investment advice has been our focus. While pessimists may prefer bonds, and optimist may prefer stocks, we are realists. Our realistic investment philosophy utilizes a balanced approach to help people achieve their financial goals consistently in a constantly changing world.

Specific investment recommendations will be made to meet the client's financial objectives. PAC, LLC provides continuous investment management and supervisory services. Accounts are reviewed quarterly with respect to asset allocation and investment performance. It is the responsibility of PAC, LLC and its Investment Adviser Representative ("IAR") to advise client when circumstances indicate that adjustments be made to the investment allocation. W. Thomas Sutton, CFP, CFS, CLU, ChFC, CDFA, CRPC, James Hamilton, CFS, AIF, Philip B. Moran, MBA, CFP, ChFC, AIF, and John Husbands will review the accounts. Accounts are reviewed formally at least on an annual basis. Advisor may exercise investment discretion for clients who desire this service and provide written authorization to the Advisor.

AIF® (Accredited Investment Fiduciary), CFP® (Certified Financial Planner), CFS (Certified Fund Specialist), ChFC (Chartered Financial Consultant), CLU (Chartered Life Underwriter), CRPC (Chartered Retirement Planning Counselor), CDFA (Certified Divorce Financial Analyst).

PAC, LLC is authorized by client to gather all tax and financial data related to client, which in the view of Advisor is necessary to prepare an investment plan.

Outside advisors, attorneys, accounts, retirement plan administrator(s) or actuaries may be engaged to assist client with necessary services. Advisor will not charge client for these services without obtaining written authorization from client. Clients are otherwise billed directly by outside service providers.

Portfolios are constructed with mutual funds, stocks, bonds and REITS selected by Advisor's proprietary screening process. Asset allocations are designed to meet each client's desired investment objectives. Individual stocks, bonds, and options are used with portfolios when client has existing stock, bond positions, company stock, and proper diversification can be maintained. Advisor will select and purchase mutual funds (no

commission or transaction cost to client). On qualified accounts (pension or other retirement accounts) Advisor will deduct any commission or services fee it receives from the broker dealer. The costs for these services maybe higher or lower with different broker dealers.

As of March 2016 Portfolio Advisory Council had \$239,216,619 discretionary assets and \$177,346,621 non discretionary assets under management.

## **Fees and Compensation**

Typically, the fee for this service is one point two percent (1.2%) (for accounts over 3 million dollars the fee may be negotiated) per year based on the invested assets under management. The fee will be payable quarterly in arrears and valued at the end of each quarter. (The 1.2% management fee charged by Portfolio Advisory Council, L.L.C. is in addition to any mutual fund fee charged by a mutual fund manager.) The initial fee is paid for portfolio analysis and consulting with the client. Consulting services are also available for \$225.00 hourly with a \$500.00 minimum or on a fixed fee basis.

**General Information:** Negotiability of Advisory Fees and Minimum Requirements: In certain circumstances, account minimums and advisory fees may be negotiable. Management fees for pension plans are individually negotiated.

**Fee Calculation:** The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Advisers Act).

**Termination of Advisory Relationship:** A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. Upon termination of any account, any prepaid, unearned fees will be promptly refunded on a pro-rata basis, and any earned, unpaid fees will, on a pro-rata basis, be due and payable. The client has the right to terminate an agreement without penalty within five business days after entering into the agreement.

**Mutual Fund Fees:** All fees paid to PAC, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly, without the services of PAC, LLC. In that case, the client would not receive the services provided by PAC, LLC which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives.

All fees are subject to negotiation.

The specific manner in which fees are charged by Portfolio Advisory Council, L.L.C. is established in a client's written agreement with Portfolio Advisory Council, L.L.C. Portfolio Advisory Council, L.L.C. will generally bill its fees on a quarterly basis. Clients are billed in arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize Portfolio Advisory Council, L.L.C. to directly debit fees from client accounts.

Management fees shall not be prorated for each capital contribution and withdrawal made during the applicable calendar quarter (with the exception of de minimis contributions and withdrawals). Accounts initiated or terminated during a calendar quarter will be charged a prorated fee. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Portfolio Advisory Council, L.L.C. fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to fee, and Portfolio Advisory Council, L.L.C. shall not receive any portion of these commissions, fees, and costs on qualified accounts.

Item 12 further describes the factors that Portfolio Advisory Council, L.L.C. considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

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

Portfolio Advisory Council, L.L.C. does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### **Types of Clients**

Portfolio Advisory Council, L.L.C. provides portfolio management services to individuals, corporations, high net worth individuals, corporate pension and profit-sharing plans, Taft-Hartley plans, charitable institutions, foundations, endowments.

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

Portfolio Advisory Council, L.L.C. utilizes several methods of analysis to select investments and structure client portfolios. We use fundamental analysis to determine current and future earning potential of company securities; we use technical analysis and charting to determine market momentum and over sold situations. We also use cyclical analysis to determine medium to longer term trends in the market. Research is conducted utilizing financial publications such as the Wall Street Journal, Barons Financial Weekly, and other financial publications. Portfolio Advisory Council, L.L.C. subscribes to research from Standard and Poor's 500, Morningstar Rating Services, Streetscape, Company reports and other sources.

Portfolio Advisory Council, L.L.C. investment strategy does not rely on high frequency trading. We are balanced managers; we utilize bonds, stocks, REITs, ETF's and other investments to generate regular income and possible capital appreciation. All our investment recommendations include some risk, market risk, product risk, interest rate risk and other unforeseen risk.

## **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Portfolio Advisory Council, L.L.C. or the integrity of Portfolio Advisory Council, L.L.C. management. Portfolio Advisory Council, L.L.C. has no information applicable to this Item.

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

### **Registration as a Broker/Dealer Representative**

Portfolio Advisory Council, L.L.C. is a registered representative of Cambridge Investment Research, Inc.

### **Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Portfolio Advisory Council, L.L.C. nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

### **Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Several employees of Portfolio Advisory Council, L.L.C. are licensed insurance agents. From time to time, they will offer clients products from those activities. Clients should be aware that these services pay compensation and thus involve a conflict of interest. Portfolio Advisory Council, L.L.C. always acts in the best interest of the client. Clients are in no way required to purchase any product or service through any representative of Portfolio Advisory Council, L.L.C. in such individual's capacities.

From time to time, he will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Portfolio Advisory Council, L.L.C. always acts in the best interest of the client; including the sale of commissionable products to advisory clients. Clients are in no way required to purchase any product or service through any representative of Portfolio Advisory Council, L.L.C. in their outside capacities.

### **Selection of Other Advisers or Managers and How This Adviser is Compensated**

Portfolio Advisory Council, L.L.C. may direct clients to third party money managers. Portfolio Advisory Council, L.L.C. 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 Portfolio Advisory Council, L.L.C. 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 Portfolio Advisory Council, L.L.C. has an incentive to direct clients to the third party money managers that provide Portfolio Advisory Council, L.L.C. with a larger split fee.

Portfolio Advisory Council, L.L.C. will always act in the best interests of the client, including when determining which third party manager to recommend to clients. Portfolio Advisory Council, L.L.C. will ensure that all recommended advisors or managers are licensed or notice filed in the states in which Portfolio Advisory Council, L.L.C. is recommending them to clients.

## **Code of Ethics**

Portfolio Advisory Council, L.L.C. has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at Portfolio Advisory Council, L.L.C. must acknowledge the terms of the Code of Ethics annually, or as amended.

Portfolio Advisory Council, L.L.C. anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which Portfolio Advisory Council, L.L.C. has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which Portfolio Advisory Council, L.L.C., its affiliates and/or clients, directly or indirectly, have a position of interest. Portfolio Advisory Council, L.L.C. employees and persons associated with Portfolio Advisory Council, L.L.C. are required to follow Portfolio Advisory Council, L.L.C. Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of Portfolio Advisory Council, L.L.C. and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for Portfolio Advisory Council, L.L.C. clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of Portfolio Advisory Council, L.L.C. will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of Portfolio Advisory Council, L.L.C. clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between Portfolio Advisory Council, L.L.C. and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with Portfolio Advisory Council, L.L.C. obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. Portfolio Advisory Council, L.L.C. will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed



orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

Portfolio Advisory Council, L.L.C. clients or prospective clients may request a copy of the firm's Code of Ethics by contacting W. Thomas Sutton at 713-574-6015.

It is Portfolio Advisory Council, L.L.C. policy that the firm will not affect any principal or agency cross securities transactions for client accounts. Portfolio Advisory Council, L.L.C. will also not cross trades between client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. Agency cross transactions may arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer.

## **Brokerage Practices**

### **Factors Used to Select Custodians and/or Broker/Dealers**

While Portfolio Advisory Council has an arrangement with Cambridge, and the clearing Broker/Dealers that have contracted with Cambridge, at least annually, Portfolio Advisory Council will review alternative Broker/Dealers and custodians in the marketplace to ensure Cambridge and its custodians are meeting Portfolio Advisory Council's duty to provide best execution for client accounts. The review will include a comparison to Cambridge and the currently used custodians, which involve evaluating criteria such as overall expertise, cost competitiveness and financial condition. The quality of execution by Cambridge and custodians will be reviewed through trade journal evaluations. However, best execution does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian. The recommendation of Cambridge is not influenced by any soft dollar services or benefits provided to Portfolio Advisory Council.

### **Research and Other Soft-Dollar Benefits**

There is no minimum client number or dollar number that Portfolio Advisory Council must meet in order to receive free research from the custodian or broker/dealer. There is no incentive for Portfolio Advisory Council to direct clients to this particular broker-dealer over other broker-dealers who offer the same services. The first consideration when recommending broker/dealers to clients is best execution.

### **Brokerage for Client Referrals**

Portfolio Advisory Council receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

### **Clients Directing Which Broker/Dealer/Custodian to Use**

Portfolio Advisory Council allows clients to direct brokerage. Portfolio Advisory Council may be unable to achieve most favorable execution of client transactions if clients choose to direct brokerage. This may cost clients' money because without the ability to direct

brokerage Portfolio Advisory Council may not be able to aggregate orders to reduce transactions costs resulting in higher brokerage commissions and less favorable prices.

## **Review of Accounts**

Typically, client investments are monitored weekly. Accounts are reviewed on a quarterly basis with respect to asset allocation and investment performance. It is the responsibility of the advisor to advise client when circumstances indicate that adjustments to the investment allocation may be appropriate. Our team of portfolio managers; W. Thomas Sutton, James Hamilton, Philip Moran, or John Husbands will review these accounts. All advisory accounts are formally reviewed on at least an annual basis.

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

Clients will receive trade confirmations from Cambridge Investment Research, Inc. (Cambridge) each time the advisor, buys or sells investments for clients account. Monthly statement will also be provided by Cambridge. A consolidated Form 1099 will also be provided at year end by NFS. Online access to investment accounts is available. Corporate Trust accounts are available through various trust companies that may provide monthly, quarterly, and annual trust reports. Monthly reports include transaction history and asset holdings.

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

Portfolio Advisory Council does not pay referral fees to solicitors or unregistered advisors.

## **Custody**

Clients should receive monthly or at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Portfolio Advisory Council, L.L.C. urges you to carefully review such statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

## **Privacy Disclosure Statement:**

Portfolio Advisory Council, L.L.C.'s goal is to protect your privacy. To conduct regular business, PAC, LLC may collect nonpublic personal information from sources such as: Information reported by you on application or other forms you provided to us, information about your transactions with us, our affiliates, or others. Information safeguarding: Portfolio Advisory Council, L.L.C. will internally safeguard your nonpublic personal information by restricting access to only those employees who provide products or services to you or those who need access to your information to service your account. In addition, we will maintain physical, electronic, and procedural safeguards that meet federal and/or state standards to guard your nonpublic personal information. We do not share information with other companies.

## **Investment Discretion**

Portfolio Advisory Council, L.L.C usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, Portfolio Advisory Council, L.L.C observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to Portfolio Advisory Council, L.L.C in writing.

## **Voting *Client* Securities**

Portfolio Advisory Council LLC does not participate or vote proxy request for client securities.

As a matter of firm policy and practice, Portfolio Advisory Council, L.L.C does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Portfolio Advisory Council, L.L.C may provide advice to clients regarding the clients' voting of proxies.

## **Financial Information**

Registered investment advisers are required in this Item to provide you with certain financial information or disclosures about Portfolio Advisory Council, L.L.C financial condition. Portfolio Advisory Council, L.L.C has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding. Portfolio Advisory Council LLC does not solicit prepayment of fees. All fees are paid in arrears.

Portfolio Advisory Council, L.L.C. does not require nor solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this brochure.

James W Hamilton  
3 Greenway Plaza, Ste 1776,  
Houston, TX 77046  
713-574-6025

March 2017

**This Brochure Supplement provides information about James W Hamilton that supplements the Portfolio Advisory Council, L.L.C. Brochure. You should have received a copy of that Brochure. Please contact W. Thomas Sutton if you did not receive Portfolio Advisory Council, L.L.C. Brochure or if you have any questions about the contents of this supplement. Additional information about W. Thomas Sutton is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

#### **Educational Background and Business Experience**

James W. Hamilton – 1955

##### **Education:**

Stephen F. Austin State University, BS, 1977  
University of Southwestern Louisiana, Graduate Work 1978  
Certified Fund Specialist CFS 2006  
Accredited Investment Fiduciary, AIF 2011

##### **Business:**

2007 - Present-Cambridge Investment Research, Inc., Registered Representative  
1996 - Present-Portfolio Advisory Council, L.L.C., Fund Research, Partner,  
Advisory Representative  
1994 - 2007 MML Investors Services, Inc., Registered  
Representative and Advisory Representative  
1994 - 2007 - MassMutual Life Insurance Co., Agent

##### **Professional Licenses:**

FINRA Series 6 (Limited Securities)  
Series 63 (State Securities)  
Series 65 (Investment Adviser)  
Texas Group I Life & Health Insurance  
Variable License

#### **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

**Other Business Activities**

- Trustee/Treasurer of the board at Northeast Houston Baptist Church since 8-14-2005. This business is not related to investment or financial planning in any way. The type of business is non profit. No time is devoted to this business activity during securities trading hours.
- Chairman of the board at Stephen F. Austin State University Alumni Association Foundation for 2016. This business is not related to investment or financial planning in any way. The type of business is a state school. No time is devoted to this business activity during securities trading hours.
- Insurance Agent/Sales since 4/12/1994. This business is related to investment and financial planning it involves the sale and service of health products, traditional and variable life insurance, and disability product. The type of business is a sole proprietorship. The type of compensation received is commissions. Estimated about 2 hours a day is devoted to this business activity during securities trading hours.

**Additional Compensation**

As an insurance broker Mr. Hamilton may receive commissions on various insurance products; life insurance, health insurance, disability insurance, and variable annuities.

**Supervision**

Mr. Hamilton is supervised by W. Thomas Sutton, who is located in the same office. Mr. Sutton signs off on all Mr. Hamilton's advisory and investment business. Mr. Sutton also reviews all of Mr. Hamilton's correspondence.

# John C Husbands

701 N. San Jacinto

Conroe, TX 77301

936-756-0671

March 2017

**This Brochure Supplement provides information about John C Husbands that supplements the Portfolio Advisory Council, L.L.C. Brochure. You should have received a copy of that Brochure. Please contact W. Thomas Sutton if you did not receive Portfolio Advisory Council, L.L.C. Brochure or if you have any questions about the contents of this supplement.**

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

## **Educational Background and Business Experience**

John C. Husbands – DOB 1960

### **Education:**

University of Texas, Austin Bachelor of Business Administration 1982

### **Business:**

2007- Present, Cambridge Investment Research, Inc., Registered Representative

1999 – Present, Portfolio Advisory Council, L.L.C., Advisory Representative

2013 – Present Soules Insurance Agency, LP

1990 - 2006 MML Investors Services, Inc., Registered Representative

1996 – 2012 New Soules Insurance Agency Inc.

1995 – 1998 Acacia Advisor Group, Registered Representative

1985 – 1995 Hart Securities, Fixed Income Specialist

### **Professional Licenses & Exams:**

FINRA Series 7 (General Securities)

FINRA Series 24 (General Securities Principal)

Series 66 (State Securities and Investment Adviser)

Texas Property and Casualty

Texas Department of Insurance Licensed Group I – Life, Health, Annuities

## **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Other Business Activities**

- Insurance Agent and Vice President of Soules Insurance Agency, Inc. since 4/1/1998. This business is not related to investment or financial planning in any way. The type of business

is S-Corporation; shares were or will be issued to Richard Coyle & Andrew Smith. The type of compensation received is commissions/salary. Estimated about 30 hours a week is spent on this activity.

- Board member at Conroe Independent School District since 5/1/2004. This business is not related to investment or financial planning in any way. The type of business is non-profit. No time is devoted to this business activity during securities trading hours.
- Board member at Assistant League of Montgomery County Inc. since 2013. This business is not related to investment or financial planning in any way. The type of business is non-profit. No time is devoted to this business activity during securities trading hours.
- Board member at Greater Conroe – Lake Conroe Chamber of Commerce since 2005. This business is not related to investment or financial planning in any way. The type of business is non-profit. No time is devoted to this business activity during securities trading hours.

### **Supervision**

Mr. Husband's office is located at 701N San Jacinto, Conroe, TX 77301 phone number 936-756-0671. W. Thomas Sutton is responsible for supervising Mr. Husband's advisory and investment business. Mr. Sutton also supervises Mr. Husband's correspondence. Mr. Sutton is in regular contact with Mr. Husband by telephone, email, and fax. Mr. Sutton does an inspection of Mr. Husband's Conroe office at least once per year.

# Wendy Birkinshaw Korman

3 Greenway Plaza, Ste 1776,

Houston, TX 77046

713-574-6015

March 2017

**This Brochure Supplement provides information about Wendy Birkinshaw Korman that supplements the Portfolio Advisory Council, L.L.C. Brochure. You should have received a copy of that Brochure. Please contact W. Thomas Sutton if you did not receive Portfolio Advisory Council, L.L.C. Brochure or if you have any questions about the contents of this supplement. Additional information about W. Thomas Sutton is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **Educational Background and Business Experience**

Wendy Birkinshaw Korman – DOB 1959

### **Education:**

Certified Public Accountants, or CPAs, are the only *licensed* accounting professionals in the United States. CPA licenses are issued by each of the state boards of accountancy.

Earning the designation as a CPA requires a combination of: educational experience, including 150 semester hours of college education that contains a balance of accounting, business and general education courses; meeting state determined minimum work experience requirements; and passing a 14-hour examination to demonstrate competence in the technical subject matter covering four broad areas: auditing and attestation; business environment and concepts; financial accounting and reporting; and regulation.

University of Houston, Bachelor of Business Administration, Summa Cum Laude, 1992

Passed all four parts of CPA Examination licensed March, 1993

Certificate Program in Personal Financial Planning, University of St. Thomas, CFP, 2002

AICPA Personal Financial Specialist Accreditation, 2004

### **Business:**

2002 – Present, Portfolio Advisory Council, L.L.C., Advisory Representative

1995 - Present Wendy Ellen Birkinshaw Korman, CPA, PFS, CFP; Principal, Accounting & Tax Planning

1992 -1993 KPMG Peat Marwick: Audit & Tax

1994 -1996 Western Indemnity Insurance Company; Asst. VP, Financial & Regulatory Reporting

### **Professional Licenses & Exams:**

Series 66 (State Securities and Investment Adviser)

Texas Department of Insurance Licensed Group I – Life, Health, Annuities



**Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

**Other Business Activities**

Mrs. Korman is also a licensed Texas CPA. Her office is located at 5300 Feagan St, Houston, TX 77007.

**Supervision**

Mrs. Korman has referred clients to Portfolio Advisory Council, LLC, all investment advice is provided by W. Thomas Sutton, CFP and Philip B Moran, CFP all transactions are performed by Mr. Sutton or Moran.

# Philip B Moran

3 Greenway Plaza, Ste 1776,

Houston, TX 77046

713-574-6030

March 2017

**This Brochure Supplement provides information about Philip B Moran that supplements the Portfolio Advisory Council, L.L.C. Brochure. You should have received a copy of that Brochure. Please contact W. Thomas Sutton if you did not receive Portfolio Advisory Council, L.L.C. Brochure or if you have any questions about the contents of this supplement.**

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

## **Educational Background and Business Experience**

Philip B. Moran – 1957

### **Education:**

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”).

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 62,000 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 that CFP Board's studies have determined as necessary for the competent and professional delivery of financial planning services, 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. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); 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* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- 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. This means CFP® professionals must provide financial planning services in the best interests of their clients.

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.

University of Kansas, Lawrence, Kansas, BS Engineering 1980  
 Southern Methodist University, MBA Dallas, TX 1986-1987  
 University of St. Thomas, CFP Houston, 2001  
 American College, Chartered Financial Consultant ChFC 2003  
 American College, Chartered Life Underwriter CLU 2009  
 Accredited Investment Fiduciary, AIF 2011

#### **Business:**

2007-Present-Cambridge Investment Research, Inc., Registered Representative  
 1999-Present-Portfolio Advisory Council, L.L.C., Portfolio Manager and Advisory Representative, Assistant Compliance Officer  
 1999-Present-MassMutual Life Insurance Co., Agent  
 1999-2007 MML Investor Services, Inc., Registered Representative and Advisory Representative  
 1980-1999-Schlumberger, Engineer and Management

#### **Professional Licenses & Exams:**

FINRA Series 7 (General Securities)  
 FINRA Series 24 (General Securities Principal)  
 Series 63 (State Securities)  
 Series 65 (Investment Adviser)  
 Group I Life & Health Insurance  
 Texas Variable Annuities

#### **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

#### **Other Business Activities**

- Insurance Agent/Sales since 01/1/1999. This business is related to investment and financial planning it involves the sale and service of health and life insurance products. The

type of business is a sole proprietorship. The type of compensation received is commissions. No time is devoted to this business activity during securities trading hours.

**Additional Compensation**

As an insurance broker Mr. Moran may receive commissions on various insurance products; life insurance, health insurance, disability insurance, and variable annuities.

**Supervision**

Mr. Moran is supervised by W. Thomas Sutton who is located in the same office. Mr. Sutton signs off on all of Mr. Moran's advisory and investment business. Mr. Sutton also reviews all of Mr. Moran's correspondence.

# Jerry M Smith

3 Greenway Plaza, Ste 1776,

Houston, TX 77046

713-574-6015

March 2017

**This Brochure Supplement provides information about Jerry M Smith that supplements the Portfolio Advisory Council, L.L.C. Brochure. You should have received a copy of that Brochure. Please contact W. Thomas Sutton if you did not receive Portfolio Advisory Council, L.L.C. Brochure or if you have any questions about the contents of this supplement.**

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

## **Educational Background and Business Experience**

Jerry M. Smith – DOB 1942

### **Education:**

Oklahoma State University Bachelor of Science Electrical Engineering, 1965

University of Houston Master of Business Administration, 1980

### **Business:**

1999 - Present, Portfolio Advisory Council, L.L.C., Advisory Representative

1999 – 2014, Cimarron, Inc., Project Manager

1993 – Present, MassMutual Life Insurance Co., Insurance Broker

1993 – 2005, MML Investor Services, Inc., Registered Representative

### **Professional Licenses & Exams:**

Series 66 (State Securities and Investment Adviser)

Texas Department of Insurance Licensed Group

## **Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

## **Other Business Activities**

Mr. Smith is a project manager for Cimarron Inc. a NASA contractor.

## **Supervision**

Mr. Smith's advisory activities are limited to client relations and referrals. All investment advisory activities are performed by W. Thomas Sutton all transactions are performed by W. Thomas Sutton.

# W. Thomas Sutton

3 Greenway Plaza, Ste 1776,

Houston, TX 77046

713-574-6020

March 2017

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

## **Educational Background and Business Experience**

W. Thomas Sutton-DOB 1946

### **Education:**

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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 62,000 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:

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- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one's ability to correctly diagnose financial planning issues and apply one's knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); 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* and other parts of the *Standards of Professional Conduct*, to maintain competence and keep up with developments in the financial planning field; and
- 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. This means CFP® professionals must provide financial planning services in the best interests of their clients.

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.

El Camino College, Torrance CA 1964/65  
 Coronado Tech Institute, NM 1966, CMD  
 Univ. of Houston, TX 1968/71, Business and Economics  
 Commercial Investment Council, Chicago, IL 1985  
 Real Estate Securities and Syndication Institute, Chicago, IL 1985  
 College of Financial Planning, Denver CO 1985/87, CFP  
 International Board of Standards and Practices for CFP #9406  
 Institute of Certified Fund Specialists 1992  
 American College Charter Life Underwriter, CLU, 1995  
 American College Charter Financial Consultant, ChFC, 2002  
 Certified Divorce Financial Analysis, CDFA 2009  
 College for financial planning, Charter Retirement Planning Counselor, CRPC 2011

### **Business:**

2016 – Present Almondy Inn Partners LLC., President  
 2007 - Present - Cambridge Investment Research, Inc., Registered Representative, OSJ Supervisor  
 1986 – Present - Portfolio Advisory Council, L.L.C., Managing Partner, Chief Compliance Officer, Portfolio Manager  
 1988 – 2007 - MassMutual Life Insurance Co., Agent  
 1984 – Present - W. Thomas Sutton & Co., Real Estate Broker, Principal  
 1978 – 1984 - Sutton Companies, Real Estate Broker, Developer, Principal

### **Professional Licenses & Exams:**

Real Estate Sales, TX, Broker  
 FINRA Series 7, (General Securities)  
 FINRA Series 24, (General Securities Principal)  
 Series 63, (State Securities)  
 Group I Life & Health Insurance  
 Variable Annuities, TX

**Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. No information is applicable to this Item.

**Other Business Activities**

- President of Almondy Inn Partners LLC since January 2016. This is a 6 room inn/bed and breakfast in downtown Newport RI. This business is not related to investment or financial planning in any way, no time is devoted to this business actively during securities trading hours.
- Texas Real estate Broker since 9-30-1984. This business is not related to investment or financial planning in any way. The type of business is a sole proprietorship. The type of compensation received is commissions. No time is devoted to this business actively during securities trading hours.
- Insurance Agent/Sales since 5-1-1984. This business is related to investment and financial planning it involves the sale of traditional life insurance and disability product. The type of business is a sole proprietorship. The type of compensation received is commissions. No time is devoted to this business actively during securities trading hours.

**Additional Compensation**

As an insurance broker Mr. Sutton may receive commissions on various insurance products; life insurance, health insurance, disability insurance, and variable annuities.

**Supervision**

Mr. Sutton's investment activities are supervised by Cambridge Investment Research located at 1776 Pleasant Plain Rd. Fairfield, IA 52556 (641) 472-5100.