



Item 1 - Cover Page

MARKET CONCEPTS, LLC

FORM ADV – PART 2A INFORMATION
May 1, 2017

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This Brochure provides information about the qualifications and business practices of Market Concepts, LLC (“MCL”) (CRD No. 143848). If you have any questions about the contents of this Brochure, please contact us at (804) 503-0094. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about MCL, including a copy of its Form ADV Part 1, is available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Market Concepts, LLC (mConcepts) as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2 - Material Changes

The company was initially registered with the SEC, and has now filed to operate as an advisor in the State of Virginia. One of the company members, Joseph McDonald is no longer registered with a broker dealer, and as such the language regarding the outside registration has been removed.

Item 3

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Item 4 - Advisory Business

Market Concepts, LLC (“MCL”) is a company that was founded on April 1, 2007 in Charlottesville, Virginia. The company registered as an Investment Advisor at the time of the company formation.

The company has offices in Charlottesville, Virginia and serves individuals and small businesses in the central Virginia area.

The company does not participate in a wrap fee program.

As of December 31, 2016, MCL had assets of approximately \$2,500,000 under discretionary management and none under non-discretionary management.

Individuals associated with MCL provide the advisory services on behalf of the firm. These individuals are appropriately licensed, qualified and authorized to provide advisory services on MCL’s behalf and are called Investment Adviser Representatives (“Representatives”). A majority of the membership interests in MCL are owned by Douglas Stewart and Joseph McDonald, each of which is also a Managing Member of the firm. MCL does not control any other firm. MCL serves as investment advisor to an open-end mutual fund company and also provides investment management services to a wide variety of other clients.

Investment Management for Private Client Accounts

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client’s individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Long-term investment performance, in large part, is primarily a function of asset class mix. Historically while interest-generating investments, such as bonds, have the advantage of relative stability of principal value, they provide little opportunity for real long-term capital growth due to their susceptibility to inflation. Passive indexing strategies and equity investments, such as common stocks, historically have had a higher expected return but have the disadvantage of

much greater year-by-year variability of return. Alternative investment strategies which actively invest in bonds and equities (and other instruments) generally aim to generate a more return stream with less year-over-year variability compared to equities alone.

Utilizing traditional equity solutions along with a variety of alternative investment strategies together are expected to generate favorable results for investors.

Strategic Rebalancing

MCL maintains an investment methodology commonly referred to as trend-following; which utilizes technical analysis to determine position changes. The advisor utilizes Exchange Traded Funds to investment client assets into diversified equity and debt securities.

Monitoring - Benchmarks

Performance benchmarks have been established for each investment option. Manager performance will be evaluated in terms of an appropriate market index (e.g. the S&P 500 stock index for large-cap domestic equity manager) and the relevant peer group.

Monitoring - Measuring Costs

MCL will review at least annually all costs associated with the management of the portfolio, including:

1. Expense ratios of each ETF or mutual fund against the appropriate peer group.
2. Commission expenses charged by the custodian.
3. Investment advisory fees charged by the Investment Advisor (mConcepts)

Item 5 - Fees and Compensation

Fees paid to MCL are for MCL advisory services only. The fees do not include, for example, the fees charged by third parties such as third-party managers, or accountants and attorneys assisting with providing the client with accounting and legal advice. Commissions on transactions and other account fees will also be charged by brokerage firms in accordance with the account's brokerage firm's normal commission schedule. See Item 12, Brokerage Practices.

Prospective clients should be aware that in addition to MCL's advisory fees, each mutual fund in which a client's assets are invested also pays its own advisory fees and other internal expenses which already have been deducted from the fund's reported performance. Depending on the fund, a client may be able to invest directly in the shares issued by the fund with or without incurring any sales or third-party management fees. Account maintenance fees are also deducted by the custodian.

In addition, there are tax effects pertaining to fund share redemptions, and other sales, made by MCL on behalf of clients. Redemptions and sales are taxable events which may accelerate the recognition of capital gains, and losses, and frequent redemptions and sales may result in short-term, rather than long-term, capital gains and losses.

MCL provides discretionary investment advisory services on a *fee-only* basis and our annual investment advisory fee will be based upon a percentage (%) of the market value of assets placed under our management (generally 1.00% with reductions over certain asset levels) as follows:

| <u>Market Value of Portfolio</u> | <u>% of Assets</u> |
|----------------------------------|--------------------|
| \$0 - \$3,000,000 | 1% |
| Over \$3,000,000 | 0.65% |

Our annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter.

MCL generally deducts advisory fees from clients' accounts. Both our Investment Advisory Agreement and the custodial account agreement authorize the custodian to debit the account for the amount of our investment advisory fee and to directly remit that management fee to MCL in compliance with regulatory procedures. Clients are not permitted to pay fees in advance.

Termination of the Advisory Relationship

The Investment Advisory Agreement between MCL and you will continue in effect until terminated by either party by written notice in accordance with the terms of that agreement. Upon termination, we will refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

No company employee or member, or supervised person is permitted to accept compensation for the sale of securities or other investment.

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

MCL does not charge any performance-based fees. All fees are disclosed above.

Item 7 - Types of Clients/Minimum Account Size

MCL makes its advisory services available to a wide variety of clients including but not limited to, individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and other business entities.

Although MCL does not generally have any conditions for providing its services, MCL Representatives may negotiate a base fee for all services.

Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss

MCL's security analysis methods include, but are not limited to, fundamental analysis (evaluating securities based upon its historical and projected financial performance); and cyclical analysis (determining the desirability of an issue based upon the status of an issue within the price cycle the security or similar securities have followed historically All securities analysis methods and strategies, even those used by MCL may involve a high degree of risk and losses can occur.

MCL's main sources of information include, but are not limited to, financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, public filings and company press releases.

MCL does not guarantee the results of the advice given. Thus, significant losses can occur by investing in any security, or by following any strategy, including those recommended or applied by MCL.

MCL may recommend traditional exchange-traded funds ("ETF"). ETF shares are bought and sold at market price unlike mutual funds. ETFs are subject to risks similar to those of stocks.

Item 9 - Disciplinary Information

MCL does not have any disciplinary information to report regarding itself or any of its counselors or other related persons.

Item 10 - Other Financial Industry Activities and Affiliations

Most persons associated with MCL, including its Representatives, may also be registered as securities representatives of a licensed, full-service securities broker/dealer. MCL is not affiliated with any other financial services provider.

Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

MCL has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff, the Code requires such "access persons": to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for clients' accounts. The Code also establishes certain bookkeeping requirements relating to federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request.

Item 12 - Brokerage Practices (Part 1- Retail Clients)

Although it generally does not exercise discretion to select brokerage firms, MCL Representatives typically recommends the transaction and/or custodial services of Scottrade ("Scottrade") and Gar Wood ("Garwood"), and Interactive Brokers ("IB").

Clients should be aware that there is no direct link between MCL and Scottrade or GARWOOD in connection with the advice MCL gives to clients. MCL receives economic benefits through the custody and operating relationships it has with Scottrade or GARWOOD that are typically not available to Scottrade's or GARWOOD's retail investors. These benefits include the following products and services (provided without cost or at a discount): duplicate client

statements and confirmations; research-related products and tools; consulting services; access to a trading desk serving advisory representative participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees; and discounts or no fees on a compliance, marketing, research, technology, and practice management products or services provided to MCL by third-party vendors. Scottrade or GARWOOD may also pay for business consulting and professional services received by MCL's affiliated persons and may also pay or reimburse expenses (including travel, lodging, meals, and entertainment expenses) for MCL's personnel to attend conferences or meetings relating to their service platforms or to their adviser custody and brokerage services generally. Some of these products and services made available by Scottrade or GARWOOD may benefit MCL, but may not benefit its client accounts. Such other services made available by Scottrade or GARWOOD are intended to help MCL manage and further develop its business enterprise, and such services do not depend on the amount of brokerage transactions directed to them.

Clients should be aware that the receipt of the economic benefits described above by MCL from Scottrade or GARWOOD, in and of itself, creates a potential conflict of interest and may indirectly influence MCL's recommendation of Scottrade or GARWOOD for custody and brokerage services."

MCL and its Representatives may be eligible for incentive awards from product sponsors, which may affect product recommendations. Also, when certain mutual funds are included in client portfolios, Representatives giving advice may receive continuing, asset-based 12b-1 fees paid by the mutual funds. These fees are paid based on the value of the funds held in a portfolio. Thus, the Representatives have an incentive to recommend holding such positions since selling them will result in lower compensation to the Representatives

Other than the services described above, MCL and its Representatives do not direct transactions and the commissions they generate (soft dollars) to brokerage firms or other parties to receive research or other benefits.

MCL does not process transactions through Scottrade or GARWOOD in return for Scottrade referring new clients to MCL.

MCL may combine similar client orders into one aggregate order for the purpose of obtaining an average price for all customers participating in the order.

Item 13 - Review of Accounts and Reports

Clients receiving investment advisory services receive reports at least quarterly from the account custodian and, more frequently, as determined in advance between the client and the client's Representative. The client's Portfolio is regularly reviewed by the MCL Representative in the frequency determined by the Representative and also reviewed by one or more supervisors at MCL to ensure the investments in the account are in line with the client's stated investment objectives.

Item 14 - Client Referrals and Other Compensation

MCL does not currently have any client referral relationships. Thus, it does not pay any fee to a third party for making client referrals to it. Also, as indicated above, the firm does not direct brokerage transactions to any third party, including Service Providers, in return for client referrals.

Item 15 - Custody

MCL does not take custody of client funds or securities. These safekeeping services are typically provided to managed accounts only by the brokerage firm processing the securities transactions ordered by MCL.

To the extent a client receives any account or other investment ownership statement from MCL recommends the client carefully compare the information in the report to that in the custodian's statements.

Item 16 - Investment Discretion

MCL provides investment advisory services on a discretionary basis. Prior to our assuming discretionary authority over your account, you will be required to execute an Investment Advisory Agreement, naming MCL as client's 'investment manager' and agent in fact, granting us authority to buy, sell, or otherwise effect investment transactions involving the assets in the discretionary account. Clients may, at any time, impose restrictions, in writing, on our discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe our use of margin, etc.).

When providing investment management services, MCL Representatives may exercise discretion when granted such authority by a client. When MCL has such authority, Representatives may select the kind of securities to buy and sell, the amount to buy and sell and, often, the commission rates paid without obtaining specific consent from the client for each trade. Clients should be aware that Representatives may make different recommendations with respect to the same types of securities or insurance products to different advisory clients. Commissions and executions for transactions implemented through Scottrade may not be better than commissions or executions available if the client used another brokerage firm. However, MCL believes that the overall level of services and support provided to clients by Scottrade outweighs the potentially lower costs, which may be available from other brokerage arrangements.

When exercising discretion, MCL may combine orders for more than one client's account to form a "block" order for the purpose of seeking a better price and execution. When a block order is executed, the broker/dealer executing the order typically allocates an average execution price to all shares in the block order, which MCL then allocates to each customer's position within the block on a pro rata basis. Should a block order only be partially filled, available shares are distributed in a manner fair to all accounts.

If a client directs MCL to effect transactions through a particular broker/dealer, MCL will do so. However, such an instruction may have implications to the client. The instruction may cause the

client's account to incur transaction costs and commissions that may be higher/lower than if the instruction had not been given. Also, such a restriction may limit MCL's ability to bunch the client's order with those of other clients to process a block order through a single broker/dealer to obtain best price and/or execution. In addition, if MCL is effecting transactions in a security for clients by means of a block order, as well as an order in the same security, for a client who has directed MCL to use a particular broker/dealer, MCL will affect the block order immediately prior to effecting the directed brokerage trade. Thus, clients directing MCL to use a particular broker may not receive the same average price for securities bought or sold that would be received if the order was part of a block order.

Depending upon the services agreement, third-party managers used to manage client accounts may be hired or terminated by MCL, as it deems appropriate. Such managers also have authority to purchase and sell securities at their discretion.

Item 17 - Voting Client Securities

MCL does not vote client proxies. You maintain exclusive responsibility for: (1) directing the manner in which proxies for the securities you own will be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to your investment assets. You will receive your proxies or other solicitations directly from your custodian or a transfer agent. You may contact us via phone or email to discuss any questions you may have with a particular solicitation.

MCL does not take any action on legal notices it or a client may receive from issuers of securities held in a client's managed account. However, it is available to answer questions regarding such notices.

Item 18 - Financial Information

MCL does not require or solicit fees of more than \$1,200 six months or more in advance, thus no financial statement for MCL is attached. MCL does not have any financial condition that is reasonably likely to impair its ability to meet its contracted commitment to any client.

Item 19: Requirements for State-Registered Advisers

Registered Advisors

Douglas Stewart

Born: 1965

Educational

Background

- Virginia Commonwealth University, Richmond, Virginia. B.A. Education | FINRA Series 6 & 7

Business Experience

- Market Concepts (Investment Advisor) Richmond, VA | 2007 to Present
- Williams Financial, Richmond, VA | 2003 to 2007
- Scott and Stringfellow, Richmond, VA | 1999 to 2003

Professional Designations, Licensing & Exams

Doug Stewart holds a 63 and 65 state FINRA license.

Other Business Activities

Douglas Stewart is not involved with outside business activities.

Performance Based Fees

Please refer to Item 6 of this brochure.

Material Disciplinary Disclosures

While at a management person at Market Concepts, LLC, Doug Stewart (and other members) have not been involved in an arbitration claim of any kind or been found liable in a civil, self-regulatory organization, or administrative proceeding. Doug Stewart was involved in an arbitration award dispute resolution while a representative at Scott & Stringfellow in February of 2005.

Material Relationships That Management Persons Have With Issuers of Securities

Market Concepts, nor Douglas Stewart, have any relationship or arrangement with issuers of securities.

Market Concepts, LLC

Form ADV Part 2B – Brochure Supplement

Douglas Stewart, Founder, Advisor

Dated Tuesday, July 25, 2017

This brochure supplement provides information about Douglas Stewart that supplements the Market Concepts, LLC brochure. A copy of that brochure precedes this supplement. Please contact Douglas Stewart if the Market Concepts, LLC brochure is not included with this supplement or if you have any questions about the contents of this supplement.

Additional information about Douglas Stewart is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2: Educational Background and Business Experience

Please refer to Item 19 of the Form ADV Part 2A.

Item 3: Disciplinary Information

Please refer to Item 19 of the Form ADV Part 2A.

Item 4: Other Business Activities

Please refer to Item 19 of the Form ADV Part 2A.

Item 5: Additional Compensation

Douglas Stewart does not receive any economic benefit from any person, company, or organization, in exchange for providing clients advisory services through Market Concepts, LLC.

Item 6: Supervision

Douglas Stewart, as Founder, Advisor, is responsible for supervision. He may be contacted at the phone number on this brochure supplement.

Item 7: Requirements for State Registered Advisors

Doug Stewart, while at a previous firm, has been subject to client awards, sanctions or other reportable matters in a self-regulatory, administrative, or arbitration proceeding. Neither Douglas Stewart nor our firm has been the subject of a bankruptcy petition.