

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page



This brochure provides information about the qualifications and business practices of Quest Capital Management, Inc. It is prepared pursuant to regulatory requirements. If you have any questions about the contents of this brochure, please contact us at (214)691-6090 or the website listed above. 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. Quest Capital Management, Inc. is a registered investment adviser with the SEC under the Investment Advisers Act of 1940 (the "Advisers Act"). However, such registration does not imply a certain level of skill or training. Additional information about Quest Capital Management, Inc. is also available on the SEC's website at www.adviserinfo.sec.gov.

Dated: March 30, 2018

Item 2 Material Changes

Summary of Material Changes:

Below is a summary of material changes made to this Brochure since our last annual update of the Brochure dated September 28, 2017:

Item 4- The Passport Account program is no longer available to new Quest Capital Management clients effective July 2017.

Item 5 - The Ambassador Account and Fee Schedule was added. In preparation for the applicability date for the Department of Labor ("DOL") Conflict of Interest Rule, the following changes have been made:

Raymond James has modified its policy with respect to the designation of Administrative-Only Investments and how asset-based advisory fees are assessed to accounts that hold these assets. Raymond James has modified the applicable transaction fee in Passport accounts. A \$15.00 transaction fee will apply in Passport accounts. Alternatively, the \$5.95 handling fee will no longer apply to transactions executed in Passport accounts.

- Raymond James will no longer automatically exclude cash balances that exceed 20% of the Account Value for three consecutive valuation periods from the Account Value subject to the asset-based advisory fee.
- Raymond James has modified its policy with respect to the treatment of transaction fees charged by mutual fund companies participating in the No Transaction Fee ("NTF") Platform.

Freedom and Russell fee schedules have been updated.

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INTRODUCTION

Quest Capital Management, Inc. ("Quest", "we" or "us") was founded in 1987 and registered with the Securities and Exchange Commission (SEC) in 2001.

The oral and written communications we provide you, including this Brochure, is information you can use to evaluate us and other advisers, which are factors in your decision to hire us or to continue to maintain a mutually beneficial relationship. This Brochure provides information about our qualifications and business practices.

OWNERSHIP

Quest is a privately owned corporation headquartered in Dallas, Texas. Kalita H. Blessing, Mary Helen Durie, Carl Joseph Kunhardt, Christopher Scott Young, Robert Cox, Dennis Moore and Larry Chandler Ferguson are the shareholders of the business.

SERVICES PROVIDED

For most of our client relationships, we provide full Wealth Management Services which include both Financial Planning Services and Investment Management Service. A client may also hire us to provide only Financial Planning or only Investment Management services as needed for their particular situation. We also provide advice and financial planning on a project basis if requested by our client or prospective clients.

FINANCIAL PLANNING SERVICES:

Several primary areas are evaluated in order to develop a written, comprehensive financial plan, tailored to fit your needs. Consultation with you involves discussion of the following: assets and liabilities, current income and expenses, goals and objectives, current investments, insurance coverage, retirement planning, estate planning, business holdings, education planning, and the attitudes and your investment philosophy. These topics are discussed with you, along with other relevant factors to help assess your immediate and long-term financial needs.

After thorough evaluation, we provide a written review of your financial situation. This includes recommendations and investment strategies on how to achieve your goals and objectives. The comprehensive plan for this service entails the standard plan areas along with, distribution planning, education planning, estate planning (document review/strategy), financial plan observations and recommendations, and business observation and recommendations.

INVESTMENT MANAGEMENT SERVICE PROGRAMS:

In addition to the financial planning services we offer, you can request us to implement the investment strategies. Your investments strategies can be implemented through fee-based and/or non-fee based programs provided through Raymond James Financial Services, Inc., member FINRA/SIPC.

Investments are determined based upon your investment objectives, risk tolerance, net worth, net income, age, time horizon, tax situation and other various suitability factors. Investment allocation is determined through this information and articulated in your Investment Policy Statement.

Your financial advisor receives a portion of the fee you pay for all accounts listed below. For further information refer to the RJA Wrap Program Brochure for any of the wrap accounts listed below.

The various fee programs offered to you are listed below.

Ambassador:

The Ambassador program is a wrap fee investment advisory account offered and administered by Raymond James & Associates, Inc. ("RJA"). Quest will manage your account on a discretionary (provided certain qualifications are met) or non-discretionary basis according to your objective. Ambassador offers you the ability to pay an asset-based advisory fee which includes transaction costs within the advisory fee in lieu of a commission for each investment transaction within the account.

Passport:

The Passport Account is a fee-based account, offered by RJA and administered by RJA, in which you are

provided with ongoing investment advice and monitoring of securities holdings. Quest will manage your account on a discretionary or non-discretionary basis according to your objective. This account offers you the ability to pay an asset-based advisory fee and a nominal processing fee (also described as a transaction charge) in lieu of a commission for each transaction. This program is no longer available to new clients as of July 2017, however Quest clients still have residual accounts in the Passport program.

Third Party Manager Services:

We may recommend the services of a Third Party Investment Adviser ("TPA") to manage your portfolio through Raymond James Financial Services, Inc. We would recommend a program offered through Raymond James that would be consistent with your financial needs, investment goals, tolerance for risk and stated investment objectives. Upon selection of a TPA, we will monitor the performance of the TPA to ensure their performance and investment style remains aligned with your investment goals and objectives. The TPA is granted discretionary authority by you to manage and invest your assets.

If you are referred to a TPA through Raymond James Financial Services, Inc., you will receive full disclosure prior to placing assets with the TPS. Below is a list of several programs offered under the TPA services:

Freedom:

The Freedom Account is a wrap fee investment advisory account which allocates your assets, through discretionary mutual fund or exchange traded fund ("ETF") management, based upon your financial objectives and risk tolerances. You appoint Quest as your investment adviser to select the representative funds and monitor their performance on a continuing basis.

Russell Model Strategies Program (the "Russell Program"): The Russell program is a mutual fund wrap advisory service that provides you the opportunity to allocate assets among various asset classes that cover a variety of investment objectives; it is an asset allocation-based investment program investing in Frank Russell mutual funds. Russell develops model portfolios and selects the underlying funds populating the respective model strategy. Quest will assist you in selecting the appropriate strategy based upon your financial needs and investment objectives. Raymond James will annually rebalance your account to the original allocation.

Raymond James Consulting Services Program ("RJCS"):

You appoint Quest as your investment adviser to select certain portfolio managers, monitor performance of your account, provide you with accounting and other administrative services, and assist portfolio managers with certain trading activities. Based upon your financial needs and investment objectives Quest will assist you in selecting an appropriate manager(s).

Eagle High Net Worth Program ("EHNW"):

You appoint Eagle Asset Management as your investment adviser. Eagle is a wholly owned subsidiary of Carillon Tower Advisers, Inc. ("CTA"), a wholly owned subsidiary of Raymond James Financial, Inc. ("RJF") and an affiliate of Raymond James. You may select one or more investment objectives. Eagle will manage your account in accordance with your financial needs and investment objectives on a discretionary basis. Services provided to you include assisting you in choosing the appropriate Eagle objective, monitoring your performance, communication reports, and other administrative services.

Effective January 2015, Raymond James no longer offers the EHNW program to prospective clients, as the investment disciplines available in EHNW are generally also available through the RJCS program. However, EHNW accounts originally established in the program continue to be managed under the pre-existing investment management agreement.

Outside Manager Program:

The Outside Manager Program ("OSM") is an investment advisory program providing investment advisory services to accounts managed by an unaffiliated investment adviser not available through the aforementioned RJCS program. In the OSM Program, you may receive discretionary investment advisory services from the OSM Manager, and trade execution, custodial, advisory and other services from Raymond James.

Wrap Fee Programs:

Quest participates in wrap fee programs sponsored by RJA as mentioned above. Wrap accounts pay one fee which covers both investment management fees and any transaction fees.

Assets Under Management:

As of December 31, 2017 Quest Capital Management, Inc. has approximately \$866,829,000 in discretionary assets under management and \$170,593,000 in non-discretionary assets under management for a total of approximately \$1,037,422,000 in total assets.

Item 5 Fees and Compensation**Financial Planning Fees:**

Typically, the minimum initial financial planning fee is \$6,500. For subsequent years the fee will be reduced between 40% and 50% of the first year planning fee. Quest's financial planning fees to complete a financial plan are based upon an estimate of the work involved

In some situations, financial planning fees are negotiable. You will pay the fee upon execution of the Client Advisory Agreement. This fee covers the written plan with recommendations and advice given at the presentation of the plan. This agreement is renewed automatically each year unless you elect not to renew.

You are able to terminate the Client Advisory Agreement without penalty if you deliver written notice to us within five (5) business days from the date of the acceptance of the contract. After five (5) days, you can cancel the agreement and fees will be refunded for the prorated amount that you feel has not been earned. Any adjustments in fees must have a thirty (30) day written notice.

In some situations, Quest may provide financial planning services at an hourly rate. This rate is between \$150-350/hour depending on the work required and employee providing the work.

Investment Management Service Fees:**Ambassador:**

There is a minimum investment of \$25,000 for Ambassador Accounts, although smaller accounts can be accepted based upon the specific circumstances of an account. The maximum advisory fees for Ambassador Accounts are as follows:

Fee-Based Relationship Value	Annual Rate
Up to \$1 million	2.25%
\$1 million up to \$2 million	2.00%
\$2 million up to \$5 million	1.75%
\$5 million up to \$10 million	1.50%
\$10 million and up	1.25%

Fees for accounts greater than \$5,000,000 are negotiable. Quest has the authority to discount fees.

The annual asset-based fee is paid quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day.

You authorize and direct Raymond James as Custodian to deduct asset-based fees from your account; you further authorize and direct the Custodian to send a quarterly statement to you which shows all amounts disbursed from your account, including fees paid to us.

Brokerage statements will show the amount of the asset based fee, the value of the assets on which the fee was based, and the specific manner in which the fee was calculated.

Passport:

The Passport Account ("Passport") is an investment advisory account, administered by RJA, which offers you, on a non-discretionary basis (or discretionary, provided certain qualifications are met), the ability to pay an advisory fee on the assets in your account and a nominal \$15.00 transaction charge, hereinafter referred to as the "Processing Fee," in lieu of a commission for each transaction, with the exception of certain Non-Partner Mutual Fund purchases.

Fee-Based Relationship Value	Annual Rate
Up to \$1 million	2.25%
\$1 million up to \$2 million	2.00%
\$2 million up to \$5 million	1.75%
\$5 million up to \$10 million	1.50%
\$10 million and up	1.25%

Freedom:

There is a minimum investment of \$50,000 for Freedom Accounts, although smaller accounts can be accepted based upon the specific circumstances of an account. The maximum advisory fees for Freedom Accounts allowed through Raymond James are as follows:

Fee-Based Relationship Value	Annual Rate
Up to \$1 million	2.25%
\$1 million up to \$2 million	2.00%
\$2 million up to \$5 million	1.75%
\$5 million up to \$10 million	1.50%
\$10 million and up	1.25%

Accounts greater than \$5,000,000 are negotiable. Quest has the authority to discount fees.

The annual asset-based fee is paid quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day. You authorize and direct RJA as Custodian to deduct asset-based fees from your account. You further authorize and direct the Custodian to send a quarterly statement to you which shows all amounts disbursed from your account, including fees paid to RJFS. The brokerage statement will show the amount of the asset-based fee, the value of the assets on which the fee was based, and the specific manner in which the fee was calculated.

You also incur charges for other account services not directly related to the execution and clearing of transactions including, but not limited to, IRA custodial fees, safekeeping fees, and fees for legal or courtesy transfers of securities.

Clients most appropriate for the mutual fund version of FREEDOM are those willing to pay more for the potential to outperform the market or benchmark indices over the long term, but should be aware the potential to underperform is just as great. Clients most appropriate for the ETF version of FREEDOM are those willing to achieve market-like returns, less management fees and operating expenses, with little potential for the individual ETFs to outperform the respective indices they track.

The investment decisions will be driven by Asset Management Services ("AMS") Manager Research and Due Diligence, and the mutual fund strategies can include "Highly Recommended" funds from the Raymond James Mutual Fund Research ("MFR") coverage list. If a fund is downgraded by MFR, RJA will determine the appropriate course of action, which can include replacing the downgraded fund in all

FREEDOM Accounts, if necessary.

However, RJA is under no obligation to select funds exclusively from MFR's "Highly Recommended" list. For funds selected that are not covered by MFR, it is likely that MFR will at some point in the future assume research coverage of the fund(s), and that such funds might be rated "Highly Recommended" by MFR. AMS Manager Research and Due Diligence continually monitors the funds in the FREEDOM Account.

The Investment Management Agreement can be terminated by you or RJFS at any time upon providing written notice pursuant to the provisions of the Investment Management Agreement. There is no penalty for terminating your account. Upon termination, you will receive a refund of the portion of the prepaid asset-based fee which is not utilized.

Russell Model Strategies Program:

There is a minimum investment of \$25,000, although smaller accounts can be accepted based on the specific circumstances of an account.

Fee-Based Relationship Value	Annual Rate
Up to \$1 million	2.25%
\$1 million up to \$2 million	2.00%
\$2 million up to \$5 million	1.75%
\$5 million up to \$10 million	1.50%
\$10 million and up	1.25%

You can terminate the management agreement according to the terms disclosed in the management agreement. If fees are paid prior to service being rendered, and you terminate services, the prorated fees for the portion not used will be returned.

Raymond James Consulting Services (RJCA) & Eagle High New Worth (EHNW) Programs:

There generally is a minimum investment of \$100,000 for all equity and balanced accounts, \$200,000 for most fixed income accounts and \$200,000 to \$500,000 for municipal accounts, although smaller accounts can be accepted based upon the specific circumstances of an account. Maximum Fees assessed are 3.00% for Equity and Balanced accounts, 1.5% for Fixed Income accounts

Fee-Based Relationship Value	Equity, Balanced & ETF Disciplines	Fixed Income Disciplines	Laddered Bonds & Short Term Conservative* Disciplines
Up to \$1 million	2.75%	2.55%	2.45%
\$1 million up to \$2 million	2.50%	2.30%	2.20%
\$2 million up to \$5 million	2.25%	2.05%	1.95%
\$5 million up to \$10 million	2.00%	1.80%	1.70%
\$10 million and up	1.75%	1.55%	1.45%

You can terminate the management agreement according to the terms disclosed in the management agreement. If fees are paid prior to service being rendered, and you terminate services, the prorated fees for the portion not used will be returned. Fees can be discounted at the discretion of the advisor.

Outside Manager ("OSM") Program:

There generally is a minimum investment of \$100,000 for all equity and balanced accounts, and \$200,000 for most fixed income accounts, although certain OSM Managers may have higher minimums.

Raymond James' Asset-Based Fee does not include any fees paid to the OSM Manager. The client will compensate the OSM Manager separately as agreed upon between the client and the OSM Manager. The OSM Manager is typically responsible for calculating and collecting their management fee. However, for simplicity of billing administration, certain OSM Managers may request that Raymond James calculate

and assess their management fee as part of Raymond James' wrap fee. Otherwise, for those OSM Managers that do not delegate billing administration to Raymond James, Raymond James will debit the OSM Manager's fee to the client's account upon receipt of the client's authorization, but will not be responsible for verification of the computation of such fee.

Fee-Based Relationship Value	Annual Rate
Up to \$1 million	2.25%
\$1 million up to \$2 million	2.00%
\$2 million up to \$5 million	1.75%
\$5 million up to \$10 million	1.50%
\$10 million and up	1.25%

Other Compensation Consideration:

Administrative Only Assets:

Certain securities may be held in your advisory account and designated "Administrative-Only Investments". There are two primary categories of Administrative-Only Investments: Client-designated and Raymond James-designated. Client-designated Administrative-Only Investments may be designated by financial advisors that do not wish to collect an advisory fee on certain assets, while Raymond James-designated Administrative-Only assets are designated by Raymond James in conformance with internal policy. For example, a financial advisor may make an arrangement with a client who holds a security that the financial advisor did not recommend or the client wishes to hold for an extended period of time and does not wish for their financial advisor to sell for the foreseeable future. In such cases the financial advisor may elect to waive the advisory fee on this security, but allow it to be held in the client's advisory account - such designations fall into the Client-designated category. Alternatively, Raymond James may determine that certain securities may be held in an advisory account but are temporarily not eligible for the advisory fee (such as mutual funds purchased with a front-end sales charge through Raymond James within the last two years, new issues and syndicate offerings). Assets designated by Raymond James as temporarily exempt from the advisory fee fall into the Raymond James-designated category.

PLEASE NOTE: Due to Department of Labor ("DOL") regulations, the designation of Client-designated Administrative-Only assets and the maintenance of such positions in the client's account are not permissible in DOL-impacted retirement accounts (such as IRAs and employer sponsored retirement plans). The underlying premise of this prohibition is that the maintenance of assets in an advisory account that are not being assessed an advisory fee introduces a potential conflict between the financial advisor and the client. The concern is that the financial advisor's advice may be biased. As a result, the financial advisor may recommend a course of action in the financial advisor's and not the client's interest (such as selling the security to increase the financial advisor's compensation). Raymond James has elected to preserve the ability for clients and their financial advisors to designate assets as Client-designated Administrative-Only in their non-DOL affected accounts in order to maintain client choice and avoid the need to maintain a separate account to hold these securities or cash. Nevertheless, while Raymond James cannot accommodate this level of flexibility in DOL-affected retirement accounts, you can choose to maintain securities or cash in your brokerage account for which you do not wish to be assessed an advisory fee.

Administrative-Only Investments will not be included in the Account Value when calculating applicable asset-based fee rates.

Aggregation of Related Fee-Based Accounts:

Raymond James will combine a client's related fee-based accounts so that each account will pay a fee that is calculated on the basis of the "Relationship Value" (total aggregate Account Values of all related accounts).

Related Accounts are accounts of an individual, his or her spouse, and their children under the age of 21 and includes individually owned accounts, individual retirement accounts (IRAs), self-directed accounts

(i.e., directed by individual participants) under an employee benefit plan (ERISA plan) and ERISA plan accounts in which an individual is the sole participant. Furthermore, accounts of the same corporation or business entity are normally deemed as “related.” For example, if ABC Manufacturing has both a profit sharing plan and a pension plan (non-directed), these two accounts will be “related.” However, corporate accounts such as corporate cash would not be related to such retirement plan accounts.

Additional Expenses Not Included In The Asset-Based Advisory Fee:

Clients may also incur charges for other account services provided by Raymond James not directly related to the advisory, execution and clearing services provided including, but not limited to, IRA custodial fees, safekeeping fees, charges/interest for maintenance of margin and/or short positions, and fees for legal or courtesy transfers of securities. For a complete list of account service charges, please contact your financial advisor or visit Raymond James’ public website: (Client Account Fees and Charges) http://www.raymondjames.com/services_and_charges.htm

Both the FREEDOM and AMBASSADOR account types offer asset allocation investment portfolios utilizing ETFs or mutual funds. You should be aware that ETFs and mutual funds have unique distinguishing characteristics and their cost structures differ, sometimes significantly. Because mutual funds are typically actively managed, the underlying management fees and operating expenses assessed by the fund companies are generally higher than those for ETFs (typically 1% to 1.5% for mutual funds versus .20% to .30% for ETFs). These fees are assessed by the mutual fund company or ETF and are in addition to our investment management services fee.

For a list of fund companies that have agreed to participate in Raymond James’ current Education and Marketing Support program, please visit: <https://www.raymondjames.com/legal-disclosures/packaged-product-disclosures/mutual-fund-investing-at-raymond-james/mutual-fund-revenue-sharing>. Mutual fund companies that are indicated with an asterisk (*) have also agreed to participate in the No Transaction Fee (NTF) Platform. Transaction fees charged by NTF-eligible mutual funds in Passport accounts will be credited back to your account.

Investment of Cash Reserves:

Raymond James has established a system in which cash reserves “sweep” daily to and from your investment account to cover purchases or to allow excess cash balances to immediately begin earning interest, subject to certain minimum balances. The account in which these cash reserves are held is considered your sweep account. The sweep options available will vary depending on your account type. Please refer to “Sweeps (Transfers) To and From Income-Producing Accounts” in the “Your Rights and Responsibilities as a Raymond James Client” brochure, a current copy of which is available from your financial advisor, or you may visit the Raymond James public website for additional information: http://www.raymondjames.com/cash_sweep.htm.

With respect to cash reserves of advisory client accounts, the custodian of the account assets will determine where cash reserves are held. The custodian may offer one or multiple options to different account types (such as non-taxable and managed accounts). In addition, the custodian may, among other things, consider terms and conditions, risks and features, conflicts of interest, current interest rates, the manner by which future interest rates will be determined, and the nature and extent of insurance coverage (such as deposit protection from the Federal Deposit Insurance Corporation (“FDIC”) and SIPC). The custodian may change an investment option at any time by providing the Client with thirty (30) days advance written notice of such change, modification or amendment. Clients selecting the Raymond James Bank Deposit Program (“RJBDP”) option are responsible for monitoring the total amount of deposits held at each Bank in order to determine the extent of FDIC insurance coverage available. Raymond James is not responsible for any insured or uninsured portion of client deposits at any of the Banks.

Raymond James Bank and the interest rate it offers through the “RJBDP” may differ from the yield on the Eagle Class - JP Morgan Money Market Funds and the Client Interest Program (“CIP”), but Raymond James Bank generally earns more than the interest it pays on such balances. The Eagle Class - JP Morgan Money Market Funds are offered by Eagle through an agreement with J.P. Morgan. Under the

agreement, Eagle, Eagle Fund Services, Inc. and Eagle Fund Distributors, Inc. (together, the “Eagle Affiliates”), and Raymond James and its affiliate RJFS are compensated by the Eagle Class - JP Morgan Money Market Funds and J.P. Morgan for, among other things, distribution costs, shareholder record-keeping activities, and the coordination and administration of the funds. Raymond James generally earns a higher rate of interest on covered interest rate parity balances than the interest rate it pays on such balances. The income earned by the Eagle Affiliates and Raymond James is in addition to the asset-based fees that Raymond James receives from these accounts. Where an unaffiliated third party acts as custodian of account assets, the client and/or the custodian will determine where cash reserves are held.

Cash balances arising from the sale of securities, redemptions of debt securities, dividend and interest payments and funds received from customers are transferred automatically on a daily basis to the client's cash sweep account. When securities are sold, funds are deposited on the day after settlement date. Funds placed in a client's account by personal check usually will not be transferred to the sweep account until the second business day following the day that the deposit is credited to the client's investment account. Due to the foregoing practices, Raymond James may obtain federal funds prior to the date that deposits are credited to the client's investment account and thus may realize some benefit because of the delay in transferring such funds to their interest-bearing cash sweep account.

Billing on Cash Balances:

Raymond James assesses advisory fees on cash sweep balances (“cash”) held in advisory accounts. Cash balances are generally expected to be a small percentage of the overall account value in EHNW, Freedom, RJCS, and Russell managed accounts, although cash balances may fluctuate at any given time at the discretion of the portfolio manager or the AMS Investment Committee, as applicable. However, Freedom offers the Defensive Conservative Strategy which includes a 50% cash allocation, as well as the Defensive Balanced and Defensive Growth Strategies which include a 20% cash allocation. These Strategies are intended to provide clients the flexibility of raising cash in their Freedom account while maintaining continued market exposure. Clients selecting one of these Defensive Strategies should understand the cash balance is subject to the asset-based advisory fee. Due to the high cash allocation of the Defensive Strategies, clients should periodically re-evaluate whether their selection of such a Strategy is appropriate in light of their financial situation and investment goals.

Billing on cash balances, particularly when the cash balance is maintained for an extended period of time or comprises a significant portion of the Account Value, may create a financial incentive for a financial advisor to recommend maintenance of this cash versus investing in an otherwise advisory fee-eligible security. For example, it's generally expected that the advisory fee will be higher than the interest a client will earn on this cash balance through their sweep account, so the client should expect to achieve a negative return on this portion of their account, although such cash balances will not be subject to market risk (that is, risk of loss) associated with securities investments. As a result, clients should periodically re-evaluate whether their maintenance of a cash balance is appropriate in light of their financial situation and investment goals, and should understand that this cash may be held outside of their advisory account and not subject to advisory fees. Please see “Investment of Cash Reserves” for additional information on cash sweep options.

Asset-Based Fees:

For purposes of calculating and assessing asset-based fees, Raymond James uses the term “Account Value”, which may be different than the asset value as reported on brokerage statements provided to clients by Raymond James. Pursuant to the investment management or advisory agreement, Account Value is defined as the total absolute value of the securities in the Account, long or short, plus all credit balances, with no offset for any margin or debit balances.

If cash or securities, or a combination thereof, amounting to at least \$100,000 are deposited to or withdrawn from your account on an individual business day in the first two months of the quarter, Raymond James will: (i) assess asset-based fees based on the value of the assets on the date of deposit for the pro rata number of days remaining in the quarter, or (ii) refund prepaid asset-based fees based on the value of the assets on the date of withdrawal for the pro rata number of days remaining in the quarter. No additional asset-based fees or adjustments to previously assessed asset-based fees will be made in connection with deposits or withdrawals that occur during the last month of the quarter unless you request

this. Notwithstanding the above \$100,000 adjustment threshold, Raymond James reserves the right, in its sole discretion, to process or not process fee adjustments when the source and destination of deposits and withdrawals involve your other fee-based advisory accounts. For example, a transfer of \$100,000 into a joint RJCS account funded from two \$50,000 withdrawals from separate Ambassador accounts will have the \$100,000 billed in your joint RJCS account and each of the Ambassador accounts will be refunded previously assessed fees on the separate \$50,000 withdrawals for the pro rata period remaining in the quarter.

ERISA and the Pension Protection Act of 2006 (PPA)

We can also have IRA accounts or other retirement accounts which are subject to the Pension Protection Act of 2006 (PPA). In all cases an “eligible investment advice arrangement” or advisory agreement will be executed with you. We will be considered a “fiduciary advisor” and will charge fees to the retirement account based on a Level Fees basis which means the fees will not vary depending on the basis of the investment option selected.

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

Performance-based fee arrangements involve the payment of fees based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not charge performance-based fees.

Item 7 Types of Clients

Our client base consists of individuals, high net worth individuals, trusts, estates, IRA's, and corporations or other business entities. These are the types of clients we service, but we may not have all these types as current clients.

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

Our investment process is driven by a financial planning process with an emphasis on diversification and elements of modern portfolio theory. Our asset allocation is driven by a comprehensive client consulting process. This is a multiple step process driven by a client centered, needs and objectives framework. Our security selection process is grounded in modern portfolio theory and encompasses an open architecture framework focusing on diversification and mean-variance optimization. Investing in securities, regardless of the level of analysis and diversification involve risk of principal loss. We do not recommend a single strategy or security for achieving longer-term client objectives.

Item 9 Disciplinary Information

We do not have any material facts about legal or disciplinary events that are material to your evaluation of the integrity of our firm or its advisory agents to disclose.

Item 10 Other Financial Industry Activities and Affiliations

We have an arrangement with Raymond James Financial Services, Inc., (“RJFS”), a registered broker-dealer, member FINRA/SIPC. RJA an affiliate of RJFS acts as the qualified custodian for both securities and funds. Advisory agents of our firm are also registered with RJFS. In this capacity, our advisory agents

will receive normal and customary commissions if you elect to implement a securities transaction through RJFS or purchase a load mutual fund. If you purchase a mutual fund containing a 12b-1 fee, the advisor agent can receive such 12b-1 fee.

Advisory Agents of the Firm are also licensed insurance agents for various other companies. If you elect to implement the plan or buy insurance through the Firm's advisory agents, they will receive a commission from insurance sales (including variable products), which includes life, accident, disability and fixed annuities. This presents a conflict of interest to the extent that the advisory agent recommends you purchase an insurance product which results in a commission being paid to the advisory agent as an insurance agent. We have no exclusive agreement with any agency or company, but will seek out the products of any company, agency or brokerage that can have products fitting your needs.

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

Code of Ethics:

We have adopted a Code of Ethics Policy to prohibit conflicts of interest from personal trading by our advisory personnel and have established standards of conduct expected of our advisory personnel. We have set forth in the Code of Ethics Policy statements of general principles, required course of conduct, prohibition on use of inside information, reporting obligations, and review and enforcement of the Code of Ethics Policy. We will provide a copy of the Code of Ethics Policy to you upon written request.

Participation or Interest in Client Transactions / Personal Trading:

Associated persons of our Firm may buy or sell for themselves securities that they also recommend to you. Our personnel (and related family members) must either trade after we place trades for our clients, or participate in "block" trades where all participants receive the same price. Records of all advisory associates' personal trading activities are reviewed and retained.

You will receive statements from RJFS, our broker dealer, at least quarterly. Additionally, account balances and statements are available through Raymond James Financial Services websites. Investment performance reports are provided upon request or during your annual plan review or strategy sessions, if appropriate.

Item 12 Brokerage Practices

Brokerage Selection:

Your assets must be maintained in an account at a "qualified custodian", generally a broker-dealer or bank. We solely utilize Raymond James Financial Services, Inc., ("RJFS"), a registered broker-dealer, member FINRA/SIPC, as the broker-dealer for the execution of securities transactions. Not all investment advisers require the use of a particular broker-dealer. Solely using RJFS could create a potential conflict of interest with our clients.

Factors which we consider when recommending RJFS include their respective financial strength, reputation, execution, pricing, research and service. As a registered FINRA broker/dealer, RJFS routes order flow through its affiliated broker-dealer Raymond James & Associates, Inc. ("RJA"). We understand and acknowledge that we owe you a fiduciary duty to obtain best execution for your transactions. We believe that our relationship with RJFS helps us to execute securities transactions for you in such a manner that your total cost in each transaction is as favorable as possible under prevailing market conditions. RJA is obligated to seek best execution pursuant to FINRA Rule 5310 for all trades executed. However, better executions may be available with another broker-dealer based on a number of factors including volume, order flow and market-making activity. The commissions and/or transactional fees charged by RJFS to you can be higher or lower than those charged by another broker-dealer. Because we exclusively recommend RJFS as a custodian and broker-dealer for client's accounts, clients may be at a disadvantage because other products or more favorable prices may be available from other broker-dealers. Additionally, we are not able to as effectively negotiate products or prices on your behalf with

RJA because of this instance.

Research and other Soft Dollar Benefits:

The Firm does not have any formal soft-dollar arrangements. However, we receive certain benefits from the broker-dealer we recommend.

Our Firm and/or our Advisory Agents receive some economic benefit (including non-research services, professional seminars and conferences) from a non-client in connection with giving advice to you. At the conclusion of each year, certain qualifying advisers are awarded membership in the RJFS' recognition councils. Qualification for recognition councils is based upon a combination of the adviser's annual production (both advisory and transactional), total client assets under administration, and the professional certifications acquired through educational programs.

Directed Brokerage:

Our financial advisors are also registered as registered representatives of Raymond James Financial Services (RJFS), a registered broker dealer with FINRA and will recommend RJFS to advisory clients for brokerage services, if necessary. These individuals are subject to FINRA Conduct Rule 3280 that restricts them from conducting securities transactions away from RJFS. Therefore, clients are advised that financial advisors are limited to conducting securities transactions through RJFS. Not all investment advisors require use of one broker dealer.

Brokerage for Client Referrals:

Neither our Firm nor our Advisory Agents receive client referrals from a broker dealer or other third party.

Item 13 Review of Accounts

We review and update and clients' financial plan and/or investment accounts and request a meeting with each client at least annually. An updated performance report and/or financial plan is provided to you at this time. We may request a meeting throughout the year due to tax law changes, market changes, market conditions or changes in personal circumstances. We are also available to meet and review your portfolio as you request. We will provide performance reports any time you request.

Statements, confirmations and/or performance reports are furnished monthly from RJFS. The monthly account statements from the custodian indicate activity, previous portfolio balances, current portfolio balances, and account summary. You should thoroughly review your account statements for accuracy and contact Quest or RJFS immediately upon discovering any discrepancies. Additionally, your asset balances are available through the Raymond James Financial Services website.

Item 14 Client Referrals and Other Compensation

Client Referrals:

We do not have any arrangements to compensate another person or entity for client referrals.

As previously mentioned, some of our personnel may qualify for annual travel benefits as a result of the adviser's annual production (both advisory and transactional), total client assets under administration, and the professional certifications acquired through educational programs.

Other Compensation:

Our Agents are registered representatives of Raymond James Financial Services, Inc. ("RJFS"), Member FINRA/SIPC. In this capacity, our agents sell securities through RJFS and receive normal and customary commissions as a result of such purchases and sales. This presents a conflict of interest to the extent that the agent recommends that you invest in a security which results in a commission being paid to the agent.

Additionally, if you elect to implement the plan or buy insurance through us or our Advisory Agents, then the agents would receive a commission from the insurance sales, which includes life, accident, disability variable and fixed annuities. This presents a conflict of interest because the Agent will receive a commission for these services, which is separate from the investment management, financial planning and other services provided.

Item 15 Custody

Custody is defined as our having access to your assets which we manage. We do not maintain physical custody of your assets, but we are deemed to have custody of your assets a) because you authorize us to direct your account custodian to deduct our fees from your account, and b) when we have standing authorization to transfer funds from your account(s) to third parties with neither the amount nor the timing defined. This latter circumstance does not require a surprise exam.

Physical custody of your accounts for both securities and funds will be maintained at a qualified designated custodian and clearing firm, Raymond James & Associates, Inc., member New York Stock Exchange/SIPC for purposes of trading, clearing and custody.

Your funds and securities will be maintained with a “qualified custodian” as required under Rule 206(4)-2 under the Advisers Act. Account statements are sent at least quarterly from the custodian and you should carefully review those statements promptly when you receive them. We also urge you to compare your custodian’s account statements to any periodic portfolio reports you receive from us.

Item 16 Investment Discretion

You can delegate investment discretion to your financial advisor, provided you have granted such authority in writing via a discretionary agreement and the financial advisor has met certain qualifications of Raymond James. Discretion means that you allow the advisor to determine what securities should be purchased or sold in your account, how much and the timing of the trades without obtaining permission from you before each trade.

Item 17 Voting Client Securities

We do not vote client proxies and will instruct the Custodian to forward all proxy material directly to you. We shall forward to you, or to the Advisor(s) for an employee benefit plan covered by ERISA, unless the plan's trust agreement provides otherwise, any proxy materials it receives that pertain to the Assets in your account. You can contact our office at 800-668-1283 for any questions about a particular solicitation.

Item 18 Financial Information

We do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure.