

**Item 1 – Cover Page**

# **Gardner Asset Management LLC**

## **DBA The Gardner Group**

### **Form ADV Part 2 Brochure**

This Brochure provides information about the qualifications and business practices of Gardner Asset Management LLC DBA The Gardner Group. If you have any questions about the contents of this Brochure, please contact us at 214-706-4369. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Gardner Asset Management LLC DBA The Gardner Group ("The Gardner Group", "the Firm". "We" or "Our") also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for The Gardner Group is 114623.

The Gardner Group is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training.

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Brochure prepared on February 26, 2012

## **Item 2 – Material Changes**

This section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Gardner Group’s most recent update to Part 2 of Form ADV was made in March 2011.

Material Changes:

State Registration - Addition of Requirements for State-Registered Advisers

Fees for Financial Planning – revised

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 Gregory D. Gardner, President and Chief Compliance Officer, at 214-706-4369 or [greg.gardner@gardnergrp.com](mailto:greg.gardner@gardnergrp.com).

Additional information about The Gardner Group 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 The Gardner Group who are registered, or are required to be registered, as investment adviser representatives of the Gardner Group.

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## **Item 4 - Advisory Business**

Gardner Asset Management LLC dba The Gardner Group is located in Dallas, Texas, and was founded in 1994 by Gregory D. Gardner, owner of the firm. The principal business of The Gardner Group is providing investment supervisory services to clients. This activity includes continuous advice concerning investment of money consistent with the objectives with each client.

While wealth preservation may be your overarching objective, a successful investment strategy comprises a wide range of components and considerations. We'll help you maximize your investment returns through a careful allocation of assets tailored to your personal risk profile. We'll review your existing investments and recommend changes to make them consistent with your financial objectives.

We use a proven professional wealth management system adhering to investment philosophies and asset allocation models that maximize return and minimize risk. Our firm is continually performing due diligence on money managers and fund managers to ensure that they have the critical skills required for continued success. We do not provide investment advice only with respect to limited types of investments.

### **You can depend on us to:**

- Monitor your investments
- Review and revise portfolios as conditions change
- Help you determine your IRA Required Minimum Distributions
- Guide you through difficult periods in the stock market by sharing our professional insights and historical perspective
- Provide independent, third-party investment research
- Handle exchanges, tenders and special stock dividends
- Hold and warehouse stocks, bonds and other securities
- Provide you with the cost basis of securities when necessary
- Offer strategies for trading corporate stock options
- Suggest alternative investment options
- Provide online access to investment statements and other documents

### **Advisory Services**

We provide investment advice and supervisory services to its clients by advising on equities, options, debt instruments, governmental securities and/or mutual fund shares in or for its clients accounts which will provide proper diversification and help meet the client's stated investment objectives. The specific investment style chosen per client is based upon the goals, objectives, and individual needs of the client. We provide this service to individuals, and trusts and estates.

### **Financial Planning**

The Gardner Group is in the business of financial planning. The Firm does not give legal or accounting advice, nor construe to have professional insight in either. Therefore, it is highly recommended that the client's lawyer and accountant be consulted before implementing a comprehensive plan.

Investment advice is provided to clients through a series of personal meetings after a complete plan has been developed. Advice on Insurance, Estate planning, and Business Planning is also provided through a series of personal meetings.

We provide investment advisory services on a fee basis by developing a comprehensive financial plan tailored to the needs of the individual client. Items generally covered are assets and liabilities, income taxation, insurance coverage, risk management, income tax planning and retirement planning, child education expenses, budgeting, estate planning, client's investment attitudes, risk tolerance, and philosophy, as well as cash flow analysis. The financial plan also includes generic recommendations as to investment of funds.

After discussion with the client and analysis of all data gathered the firm provides a written review of the client's financial situation together with recommendations as to how to pursue an investment strategy consistent with the client's financial goals, objectives, and risk tolerances. The plan may consider issues such as the effects on income and investment, tax deferred investments, appropriate levels of cash reserves for contingencies, and other relevant issues.

### **Consulting**

In addition to the investment advisory services described above Gardner Asset Management LLC furnishes financial planning services through consultations that are billed on an hourly basis. Topics range from annual financial reviews, material changes in lifestyle, personal situations, tax laws, market conditions, specific security purchases or sales, or any other matter that may be significantly affect the client's financial situation. No guarantees express or implied, are made concerning the future performance of any investment recommendation.

Our assets under management as of year-end 2011 are \$56,455,319.67 on a discretionary basis and \$0.00 on a non-discretionary basis.

## **Item 5 - Fees and Compensation**

### **Fees for Advisory Services**

The client pays The Gardner Group for its investment management services based upon the client's assets under management. Advisory fees are negotiable. Fees are calculated by multiplying the assets under management by the relevant percent and dividing such product by four (4). Accounts opened in mid-quarter will be assessed at a pro-rated management fee. Fees are payable quarterly, in advance and such fees may be deducted from client's account(s) quarterly within thirty (30) days following the end of the quarter for which said fees will be incurred.

The advisory fees payable to the Firm are a percentage of assets under management. The fee schedule for this service is as follows:

| <u>Assets Under Management</u> | <u>Fee</u> |
|--------------------------------|------------|
| \$0 - 500,000.00               | 2.00%      |
| \$500,000.01 - 1,000,000.00    | 1.75%      |
| \$1,000,000.01 - 2,000,000.00  | 1.50%      |
| \$2,000,000.01 - 3,000,000.00  | 1.25%      |
| \$3,000,000.01 - 5,000,000.00  | 1.00%      |
| Above \$5,000,000.00           | Negotiable |

The assets under management shall include the following: (i) fixed income investments [CDs, Bonds, etc.]; shall be the market value of all fixed income securities plus or minus the amortized amount of any premium or discount over the term of the investment; and (ii) other investments [Stocks, Warrants, Options]; shall be the market value of the securities or investments. The market value of the securities shall be based on the monthly statement provided by the institution where the account is held. All advisory fees are negotiable.

### **Sub-Advisers**

Under this service, we may select other investment advisers ("Sub-Advisers") on a sub-advisory basis to provide the specific investment management services related to your assets. Our services in relation to the Sub-Advisers we may recommend generally will include assisting you in choosing investment objectives and asset allocation, setting restrictions or limitations on the management of the account, explaining portfolio strategies and transactions, and answering any of your questions. We will monitor such Sub-Advisers' performance with respect their management of your assets.

A description of the specific services and fees available from each Sub-Adviser can be found in such the specific Sub-Adviser's current disclosure document(s) (i.e. Form ADV, Part 2A and/or Appendix 1 of Part 2A).

We will retain the authority to engage or terminate each such Sub-Adviser. Any decision to engage or terminate a particular Sub-Adviser will be based upon continued suitability and performance of the Sub-Adviser in relation to its management of your assets.

Alternatively, without specifically selecting other investment advisers to provide the specific investment management services related to your assets, we may simply recommend other investment advisers that would provide such services (not on a sub-advisory basis). Our services in relation to the other investment advisers we may recommend generally will include assisting you in choosing investment objectives and asset allocation, setting restrictions or limitations on the management of the account, explaining portfolio strategies and transactions, and answering any of your questions. We will monitor such outside investment advisers' performance with respect their management of your assets.

We will not retain the authority to engage or terminate such other investment advisers. At all times, you will retain the authority to engage or terminate such other investment advisers that we may recommend.

Fees are calculated on an incremental basis and are subject to change with 30 days written notice. Certain clients of The Gardner Group with pre-existing relationships may initially be charged fees which are less than those set out above. With regards to employee related accounts and certain other accounts, the quarterly fees may be less, depending upon a number of factors, including portfolio size, length of employment and relationship to the employee.

### **Fees for Financial Planning**

The fee for those financial planning services is negotiable and depends on the type of plan provided and complexity of the situation. An estimate will be given after the initial fact finder. Financial plans range from \$1,000.00 to \$10,000.00.

Beginning on the first day of the calendar quarter following the date Client executes the financial planning agreement, Client agrees to pay The Gardner Group on an annual basis (billed quarterly, in advance) in return for services rendered under this agreement as calculated below:

Fees are assessed either as a quarterly fee, payable in advance based on the price of the plan or payment of 50% of the fee in advance with the remainder due upon receipt of the written plan.

Client may agree to pay an hourly consulting fee in the range of \$150.00 - \$350.00 per hour. The client is billed following the consultation.

To the extent mutual funds are selected the annual advisory fee set forth above does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with mutual funds including Rule 12b-1 fees and expenses. In addition to the annual advisory fee each mutual fund in which your assets are invested will incur separate investment advisory fees and other expenses for which you will bear a proportionate share.

The section referred to as "Brokerage Practices" further describes the factors that we consider in selecting or recommending broker-dealers for transactions and determining the reasonableness of their compensation (e.g., commissions).

### **Termination**

The relationship may be terminated by either party upon 30 days written notice.

### **Use of other Investment Advisers**

If another investment adviser(s) is used to manage your assets, any available refund process for fees that may be collected in advance will be dictated by such other investment adviser's disclosure document(s) and/or service agreement(s) with you. For more details, please refer to the Sub-Adviser's or other investment adviser's current disclosure document(s) (i.e. Form ADV, Part 2A and/or Appendix 1 of Part 2A). Your specific fee arrangements will be set forth in your Agreement with us.

### **Fee Payment Options**

As indicated in our advisory agreement with you, there are two options you may select to pay for our services:

- Direct debiting (preferred): at the inception of the relationship and each quarter thereafter, we will notify your custodian of the amount of the fee due and payable to us through our fee schedule and contract. The custodian does not validate or check our fee, its calculation on the assets on which the fee is based. They will "deduct" the fee from your Account(s) or, if you have more than one account from the account you have designated to pay our advisory fees.
  - Each month, you will receive a statement directly from your custodian showing all transactions, positions and credits / debits into or from your account; the statements after

the quarter end will reflect these transactions, including the advisory fee paid by you to us.

- Pay-by-check: At the inception of the Account and each quarter thereafter, we issue you an invoice for our services and you pay us by check or wire transfer within 15 days of the date of the invoice.

### **Use of Sub-Advisers or Other Investment Advisers**

If another investment adviser is managing your assets, we will not bill or invoice you directly for our fees related to the recommendation or selection of other investment advisers. The fees charged by other investment advisers are assessed by such parties. Such fees may be charged in advance or in arrears; monthly, quarterly, or annually. Further, fees may be collected via the custodian or by way of direct billing by such investment adviser. Regardless of the other investment adviser's billing practices, our compensation will be received from the other investment adviser in accordance with the normal and customary billing practices as outlined in that outside investment adviser's disclosure document(s).

For more details, please refer to the Sub-Adviser's or other investment adviser's current disclosure document(s) (i.e. Form ADV, Part 2A and/or Appendix 1 of Part 2A). Your specific fee arrangements will be set forth in your Agreement with us.

### **Additional Fees and Expenses**

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your Account(s). The following list of fees or expenses are what you pay directly to third parties, whether a security is being purchased, sold or held in your Account(s) under our management. Fees charged are by the broker dealer / custodian.

We do not receive, directly or indirectly any of these fees charged to you. They are paid to your broker, custodian or the mutual fund or other investment you hold. The fees include:

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), Exchange Traded Funds (ETFs)
- Advisory fees charged by sub-advisers (if any are used for your account);
- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Deferred sales charges (charged by MFs);
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions ;
- Among others that may be incurred.

We do not have or employ any employee that receives (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise / services. As a result, we are a "fee only" investment adviser. We do not have any



potential conflicts of interest present that relate to any additional (and un-disclosed) compensation from you or your assets that we manage.

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

We do not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## **Item 7 - Types of Clients**

We provide our services to a number of Clients:

- Individuals, including high net worth individuals
- Trusts, estates and charitable organizations
- Pension and profit sharing plans
- Corporations or other business entities

### **Minimum Account Size**

We generally require a \$500,000 minimum for the management of accounts. Fees and account sizes are subject to negotiation. In addition, we reserve the right to refuse to accept proposed management responsibilities or to resign from the management of any individual account.

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

### **Our Investment Strategies**

We offer several investment strategies to you and in doing so may invest in a wide range of securities and other financial instruments including:

- Equity securities
- Exchange-listed securities
- Over-the-counter securities
- Securities of foreign issuers (including ADRs, EDRs and GDRs)
- Warrants
- Restricted shares
- Corporate debt

- Commercial paper
- Certificates of deposit
- United States government securities
- Municipal securities
- Investment company securities including variable life insurance products
- Variable annuities and mutual funds
- Forward contracts
- Interest and principal only strips
- Structured notes
- Listed and over the counter derivatives
- Mortgage related and other asset backed securities
- Bank loans
- Collateralized debt obligations
- Collateralized mortgage obligations
- Foreign currency forward agreements
- Repurchase and reverse repurchase agreements
- Private placements

As financial markets and products evolve, we may invest in other instruments or securities, whether currently existing or developed in the future, when consistent with client guidelines, objectives and policies.

### **Security Analysis**

Our security analysis methods include charting and fundamental analysis.

### **Sources of Information**

In conducting security analysis, we utilize a broad spectrum of information, including financial publications, third-party research materials, annual reports, prospectuses, regulatory filings, and company press releases.

### **Investment Strategies**

We employ a range of investment strategies to implement the advice we give to clients including: long-term purchases, short-term purchases, trading, margin transactions, option strategies including writing covered options, uncovered options and spreading strategies.

### **Frequency Trading**

Strategies involving frequent trading of securities can affect investment performance.

### **Risk of Loss**

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities were not sold to “lock in” the profit). As you know, stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a

loss of your account assets. Investing in securities involves risk of loss that clients should be prepared to bear.

### **Item 9 - Disciplinary Information**

We do not have any legal, financial or other “disciplinary” item(s) to report to you. We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a Client / Adviser relationship, or to continue a Client /Adviser relationship with us. This statement applies to our Firm, and every employee.

### **Item 10 - Other Financial Industry Activities and Affiliations**

Gregory D. Gardner is a licensed insurance agent who offers life, long term care, and disability insurance.

### **Item 11 - Code of Ethics**

No security may be bought or sold by a principal or employee of The Gardner Group before the Firm's clients' accounts have had the opportunity to make such transactions as appropriate. All of the Firm's employee trades will be reviewed by the compliance officer.

To prevent conflicts of interest, all employees of The Gardner Group must comply with the firm's Supervisory Procedure Memorandum that imposes restrictions on the purchase or sale of securities for their own accounts and the accounts of certain affiliated persons.

We have 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, 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 of the Firm must acknowledge the terms of the Code of Ethics annually, or as amended.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which The Gardner Group has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which The Gardner Group, its affiliates and/or clients, directly or indirectly, have a position of interest. Our employees and persons are required to follow the Firm's Code of Ethics.

### **Participation in Client Transactions**

Subject to satisfying this policy and applicable laws, officers, directors and employees of The Gardner Group and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for the Firm's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees 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 the Firm's clients.

### **Personal Trading**

Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between the Firm and its clients.

### **Prohibition on Use of Insider Information**

We have also adopted policies and procedures to prevent the misuse of "insider" information (material, non-public information). A copy of such policies and procedures is available to any person upon request.

You may request a complete copy of our Code of Ethics by contacting us at the address, telephone or email on the cover page of this Part 2.

## **Item 12 - Brokerage Practices**

The Gardner Group will supervise and direct the investments of clients' accounts subject to such limitations as Client may impose in writing. The Gardner Group, as agent and attorney-in-fact with respect to Client's account, when it deems appropriate, without prior consultation with Client, may, (a) buy, sell, exchange, convert, and otherwise trade in stocks, bonds, options and other securities including money market instruments, (b) direct the amount of securities purchased, sold, exchanged, and otherwise traded and (c) place orders for the execution of such securities transactions with a broker dealer. The Gardner Group will allocate brokerage transactions in a manner it believes to be fair and responsible to its clients, and consistent with client objectives. Adhering to a strict formula will not be practicable given the variation in client objectives and guidelines.

### **Allocation of Investment Opportunities and Orders**

We have adopted the following policies and procedures related to the fair allocation of investment opportunities. These policies are designed to help ensure that each client receives fair and equitable treatment in the investment process:

- Investment ideas and/or research analyst recommendations are equally disseminated among all appropriate investment professionals responsible for selecting investments.
- Transactions in the same security on behalf of more than one client are aggregated to facilitate best execution and to reduce brokerage commissions and/or other costs.
- When orders cannot be aggregated, we employ a trading rotation process that is fair and objective among institutional and private client accounts, managed account sponsors and passively managed accounts.
- Aggregated executions to participating accounts are allocated in a fair, equitable and objective manner and permissible reasons are delineated for deviating from the standard methodology and the related approval requirements.
- Secondary offerings are allocated using our standard methodologies taking into account situations in which securities are allocated by the issuer based on a client's existing holdings.
- Accounts in which our employees or affiliates have a beneficial interest, or in which The Gardner Group has a conflict of interest, do not receive preferential treatment.

Our allocation procedures differ for each of our equity strategies. When orders are generated, the decision on which accounts should participate, and in what amount, is based on the type of security or other asset, the present or desired structure of the various portfolios and the nature of the account's goals. Other factors include risk tolerance, tax status, permitted investment techniques and, for fixed-income accounts, the size of the account and settlement and other practical considerations. As a result, we may have different price limits for buying or selling a security in different accounts. Portfolio information systems, portfolio reports and quality control reports permit us to consider these factors as appropriate.

## **Brokerage Selection**

### **Broker Analysis**

In an effort to achieve best execution, we consider the following factors in selecting brokers:

- Execution capability
- Order size and market depth
- Availability of competing markets
- Trading characteristics of the security
- Availability of accurate information comparing markets
- Quantity and quality of research received from the broker dealer
- Financial responsibility of the broker-dealer
- Confidentiality
- Responsiveness
- Ability and willingness to commit capital
- Availability of accurate information comparing markets
- The technology to process such data
- Other factors that may bear on the overall evaluation of best price and execution

Our order placement specialists are responsible for continuously monitoring and evaluating the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. In addition, we periodically review our transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

### **Principal vs. Agency Transactions**

We do not participate in principal or agency trades

### **Research Services/Soft Dollars**

We do not participate in any soft dollar arrangements.

### **Cross Transactions**

Generally, it is our policy not to engage in buying or selling of securities from one managed account to another (typically referred to as a "cross trade"). The vast majority of trades made for our client accounts will be executed through the open market.

### **Trading Aggregation Practices**

When we trade the same security in more than one client account, we generally attempt to batch or “bunch” the trades in order to create a “block transaction.” Generally, buying and selling in blocks helps create trading efficiencies, prompt attention and desired price execution. We will place all or substantially all transactions to purchase or sell common stocks with the client’s “directed” broker, when applicable. (See the discussion below entitled, “**Directed Brokerage**”) Whenever possible, we will attempt to batch or aggregate trades for clients who use the same directed brokers in order to create a “block transaction.”

The commission amount and per share commission rate will differ between our clients with directed brokerage relationships due to the dollar value and the size (number of shares) of the trade for each account, and the total relationship between the client and their broker. Because each client may differ in portfolio size, investment objective, equity exposure and the extent of the relationship with their broker, we do not negotiate commission discounts on the block transaction itself.

### **Other Fees in Connection with Trading**

In our efforts to achieve best execution of portfolio transactions, we may trade securities for client accounts by utilizing electronic marketplaces or trading platforms. Some of these electronic systems may impose additional service fees or commissions. We may pay these fees directly to the provider of the service or these fees may be included in the execution price of a security. Our intention is that we will only use such systems and incur such fees if we believe that doing so helps us to achieve the best execution of the applicable transaction, taking into account all relevant factors under the circumstances. For example, we will consider the speed of the transaction, the price of the security, our ability to block the transaction and other factors discussed in this Brokerage Practices section in connection with trading of stocks and bonds.

### **Accounts with Different Investment Objectives**

It is possible that we or our affiliates may manage accounts of clients whose investment objectives are substantially different from one another. As a result, it is possible that it would be appropriate for us to sell a security “short” from one account while holding it “long” in another account. This may occur if we manage an account that involves significant short term trading or pursues unique options strategies. In general, however, our positions with regard to any security will be net long. We seek to avoid a conflict of interest by attempting to limit such situations to, for example, an instance in which there is a readily available supply of the securities being purchased or sold and the transactions in a security do not affect its market price.

## **Item 13 - Review of Accounts**

We review our investment advisory accounts and managed portfolios frequently, with a general review occurring weekly, and more specific reviews made less frequently but at least quarterly. We do not have a limitation on the number of client accounts assigned to any particular account officer, nor is there a precise sequence or review schedule. All portfolios are reviewed continuously rather than periodically. Accounts are reviewed by Gregory D. Gardner.

In addition, all clients receive separate monthly accounting reports from their portfolio custodian detailing all cash and asset transactions and activity. In general, meetings with clients are held annually or less frequently, according to the stated desires of each client.

## **Item 14 - Client Referrals and Other Compensation**

The Gardner Group or its employees do not participate in client referrals. Gregory D. Gardner may receive benefit in the form of insurance purchases and sales by clients.

## **Item 15 - Custody**

We do not have custody of client assets.

## **Item 16 - Investment Discretion**

The Gardner Group 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.

### **Discretionary Management**

We have discretionary authority to make determinations regarding the securities that are to be bought and sold, as well as the quantities of such securities, for most clients. Such authority is provided in our contract with each client. In many cases, this discretion is subject to mutually agreed upon investment guidelines relative to the client's portfolio. We have model portfolio guidelines available for clients to adopt, in whole or in part, if they do not have their own. Client investment guidelines may or may not limit the scope of potential investments. As a result, clients can impose restrictions on investing in certain securities or types of securities. Within client guidelines and instructions, we make decisions as to the nature and quantity of securities to be bought or sold.

We maintain a limited Power of Attorney for all discretionary accounts for directing and or effecting investments on behalf of the managed account, for the direct payment of our fees and or the payment of commissions, custodial fees and or other charges incurred by your managed account.

### **Wrap Account Management**

We do not participate in the management of wrap account programs.

## **Item 17 - Voting Client Securities**

As a matter of firm policy and practice, The Gardner Group 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.

## **Item 18 - Financial Information**

The Gardner Group 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.

We do not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance, therefore have no material additional financial disclosures to make.

## **Item 19 - Requirements for State-Registered Advisers**

### **Gregory D. Gardner, CFP**

Born in 1968

#### *Education Background:*

Bachelor of Arts degree from Southern Methodist University in 1991  
Certified Financial Planner

#### *Business Background for preceding five years:*

1994 to present, The Gardner Group, President/ Chief Compliance Officer  
1994 to 2004, Linsco/Private Ledger, Registered Representative and Principal  
1991 to 1994, AXA Group, Registered Representative

### **Disciplinary Information**

#### Disclosure Statements:

- Gregory D. Gardner has never been found liable in an arbitration claim alleging damages.
- Gregory D. Gardner has never been found liable to in a civil, self-regulatory organization, or administrative proceeding.
- Gregory D. Gardner has never been the subject of a bankruptcy petition.
- Gregory D. Gardner does not have any disciplinary history to disclose.
- Gregory D. Gardner does not have any outside business activities to disclose.
- Gregory D. Gardner does not have any additional forms of compensation to disclose.

### **Business Continuity Plan**

We have a Business Continuity Plan that addresses how the Firm will respond to events that may disrupt its business. If the main telephone line is inactive, the emergency number is 214-693-2054. If the emergency line is down, please contact your custodian. We will resume operations as quickly as possible (preferably within twenty-four hours) depending on the severity of the business disruption. Our Business Continuity Plan covers data backup and recovery, mission critical systems financial and operational assessments, alternative communications, alternate business locations, regulatory reporting and the assurance of prompt access to funds and securities for our customers. Additional details regarding the firm's Business Continuity Plan are available upon request.



**Privacy Notice To Customers**

We do not disclose nonpublic personal information about our individual clients or former clients except as permitted by law. We restrict access to nonpublic personal information about you (that we may obtain from your account and your transactions) to those employees who need to know that information to provide products or services to you or to alert you to new, enhanced or improved products or services we provide. We maintain physical, electronic and procedural safeguards that comply with federal standards to safeguard your nonpublic personal information.

# **Form ADV Part 2 Brochure Supplement**

## **Gregory D. Gardner, CFP**

**Gardner Asset Management LLC  
DBA The Gardner Group**

5910 North Central Expwy, Suite 1090

Dallas, TX 75206

Phone: 214-706-4369

Brochure Supplement prepared on March 4, 2011

This Brochure Supplement provides information about Gregory D. Gardner that supplements The Gardner Group's Form ADV Part 2A Brochure. Please contact Gregory D. Gardner, President and Chief Compliance Officer if you did not receive The Gardner Group's Brochure or if you have any questions about the contents of this supplement.

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

**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. 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.

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## **Educational Background and Business Experience**

### **Gregory D. Gardner, CFP**

Born in 1968

#### *Education Background:*

Bachelor of Arts degree from Southern Methodist University in 1991  
Certified Financial Planner

#### *Business Background for preceding five years:*

1994 to present, The Gardner Group, President/ Chief Compliance Officer  
1994 to 2004, Linsco/Private Ledger, Registered Representative and Principal  
1991 to 1994, AXA Group, Registered Representative

**Disciplinary Information**

Gregory D. Gardner has not been a party to a criminal or civil action in a domestic, foreign or military court, been a party to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority or been a party to a self-regulatory proceeding.

**Other Business Activities**

Gregory D. Gardner is a licensed insurance agent who offers life, long term care, and disability insurance. This activity is estimated to take less than 10% of Mr. Gardner's time.

**Additional Compensation**

Gregory D. Gardner may receive benefit in the form of insurance purchases and sales by clients.

**Supervision**

Gregory D. Gardner is the President and Chief Compliance Officer of The Gardner Group; therefore, he is responsible for his own supervision and that of all other investment adviser representatives of The Gardner Group. He can be contacted at 214-706-4369.

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# **Form ADV Part 2 Brochure Supplement**

## **Sergio G. Garcia**

**Gardner Asset Management LLC  
DBA The Gardner Group**

5910 North Central Expwy, Suite 1090

Dallas, TX 75206

Phone: 214-706-4369

Brochure Supplement prepared on January 18, 2012

This Brochure Supplement provides information about Sergio G. Garcia that supplements The Gardner Group's Form ADV Part 2A Brochure. Please contact Gregory D. Gardner, President and Chief Compliance Officer if you did not receive The Gardner Group's Brochure or if you have any questions about the contents of this supplement.

Additional information about Sergio G. Garcia is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**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. 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 fiducially 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.

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## **Educational Background and Business Experience**

**Sergio G. Garcia, CFP®, CRC®**

Born in 1984

Texas Tech University  
Master of Science, Personal Financial Planning

Texas Tech University  
Bachelor of Science, Personal Financial Planning

Certified Financial Planner  
Certified Retirement Counselor

*Business Background for preceding five years:*

2011 to present, The Gardner Group, Director of Financial Planning

2009 to 2011, MetLife Securities Inc., Financial Planning Director  
2008 to 2009, Unemployed  
2007 to 2008, Red to Black TTU, Coordinator  
2006 to 2006, State Farm Insurance, Intern

### **Disciplinary Information**

Sergio G. Garcia has not been a party to a criminal or civil action in a domestic, foreign or military court, been a party to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency or any foreign financial regulatory authority or been a party to a self-regulatory proceeding.

### **Other Business Activities**

Sergio G. Garcia does not have any other business activities.

### **Additional Compensation**

Sergio G. Garcia does not receive any additional compensation.

### **Supervision**

Sergio G. Garcia is the Director of Financial Planning for The Gardner Group. Gregory D. Gardner is responsible for Sergio G. Garcia's supervision. Gregory D. Gardner can be contacted at 214-706-4369.

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