



# DISCLOSURE BROCHURE

PREPARED IN COMPLIANCE WITH THE INVESTMENT ADVISERS ACT OF 1940 RULE 204-3(A)  
SEC#80168304

**December 10, 2007**

**7077 Bonneval Road  
Suite 340  
Jacksonville, Florida 32216**

**Tel: 904.493.7500  
Fax: 904.493.7501  
Toll Free: 877.494.7500**

[scollins@collinscmi.com](mailto:scollins@collinscmi.com)  
[hake@collinscmi.com](mailto:hake@collinscmi.com)

## TABLE OF CONTENTS

	Page
<b>Executive Summary.....</b>	<b>3</b>
Mission Statement.....	3
Business Focus.....	3
Developing Investment Parameters.....	3
<b>Investment Services.....</b>	<b>4</b>
Portfolio Composition.....	4
Investment Strategy.....	4
Discretion.....	5
Portfolio Management Fees.....	5
Fee Exclusions.....	5
Billing.....	5
Withdrawals.....	6
ERISA Accounts.....	6
Reporting/Client Meetings.....	6
Termination Provisions.....	6
Client Transactions.....	6/7
Client Responsibility.....	7
Securities Bought and Sold.....	7
Direction of Transactions and Commission Rates.....	7
<b>Other Services.....</b>	<b>7</b>
Financial Planning Services.....	7/8
Other Services.....	8
Recordkeeping Services.....	8
Referral Services.....	8
<b>Conflicting Interests .....</b>	<b>8</b>
Participation or Interests.....	8
Insider Trading Activities.....	8
Code of Ethics.....	9
Proxy Voting.....	9
<b>Qualifications and Methods.....</b>	<b>9</b>
Methods of Analysis.....	9
Sources of Information.....	9
Investment Strategies.....	9
Education & Business Standards.....	10/11

### Material Changes

There have been no material changes made to this document since the last  
Revision date indicated on the cover of this Disclosure Brochure.

**This Disclosure Brochure provides information about the qualifications and business practices of Collins Capital Management, Inc., which should be considered before becoming a client. Please contact Sheila Collins if you have any questions about the contents of this brochure. The information contained in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any State Securities Administrator.**

# EXECUTIVE SUMMARY

## MISSION STATEMENT

The mission of Collins Capital Management is to achieve consistency and discipline of portfolio management. Proper analysis and client risk assessment and allocation should provide for solid rates of return over a period of time.

## BUSINESS FOCUS

Collins Capital Management, Inc. (hereinafter referred to as “the Company”, “we”, “us” and “our”) is a registered investment advisor that offers personalized investment solutions uniquely tailored to each client’s risk parameters. Our focus is to manage portfolios for high net-worth individuals, corporations, family trusts, estates, and charitable foundations by deploying the following strategies:

- ❖ Aggressive Growth-designed to yield superior investment returns utilizing various capitalization methods which could include micro cap stocks.
- ❖ Growth-Active investment management designed to yield superior investment returns that perform well in the current economic environment.
- ❖ Growth and Income- designed to produce consistent returns along with providing a stream of income to the client.
- ❖ Balanced-designed to produce stable investment returns along with a stream of income.
- ❖ Enhanced Income-a conservative investment management designed to produce stability of principal along with a stream of income to the client.
- ❖ Tax Implication Strategies-Sensitivity to tax implications utilizing tax exempt instruments to achieve the client’s goal.

## DEVELOPING INVESTMENT PARAMETERS

Successful investment management can be difficult to achieve if a client cannot project a clear picture of his or her investment parameters. With today’s global markets this can add to the difficulty.

We develop a client’s investment parameters through a series of meetings and interviews to define their individual financial needs. During this process we will have each client respond to questions about their return expectations, economic outlook, prior investment experience, goals and objectives. This helps us:

- Define and narrow the client objectives and investment options
- Stimulate the client to think of their true objectives
- Clarify and identify areas of greatest concern
- Provide an effective and efficient way to address each client’s unique financial needs and objectives

The time we invest with each client helps us eliminate much of the guesswork in achieving the financial security that he or she desires. In addition, the time we invest with each client on the front-end solves problems, eases concerns about the future and cultivates peace of mind.

The term “Registered Investment Advisor” is not intended to imply that Collins Capital Management has attained a certain level of skill or training. It is used strictly to reference the fact that we are “Registered” as an “Investment Advisor” with the United States Securities and Exchange Commission-and with such other regulatory agencies that may have limited regulatory jurisdiction over our business practices.

## INVESTMENT SERVICES

Our investment services are designed to build long-term wealth while maintaining risk tolerance levels acceptable to the client. With every managed account, we incorporate investment strategies that have been pre-determined from the investment parameters outlined by the client during the interview process. We offer services to individuals, qualified plans, trusts, corporations, I.R.A.'s and rollover I.R.A's.

### PORTFOLIO COMPOSITION

Portfolio management services of the Company primarily utilize equities (stocks), fixed income (bond) vehicles, and money market funds to make up the composition mix within each client's portfolio.

We have developed six model portfolio structures that are used as asset allocation guidelines in designing a client's portfolio. Each model consists of a different "target" allocation comprised of stocks and bonds from at least eight (8) economic groups and sectors. These economic groups and sectors represent companies with like products and/or services. We spread client assets across these different groups and sectors to reduce over-exposure in any one area of the economy, and therefore, create a more prudent approach to managing risk.

The investment mix for each client is uniquely designed to achieve the desired investment return for the client. However, the selected stocks and bond vehicles in a client's portfolio are typically diversified into many stocks and bonds that are common to all client accounts. This is the only common denominator. From that point the composition mix and quantity of stocks and bonds in any given client account is completely subjective.

PORTFOLIO MODELS	% OF STOCKS	% OF BONDS
Aggressive	95	5
Growth	80	20
Growth and Income	60	40
Balanced	45	55
Enhanced Income	35	65
Income	25	75

**Such classifications are a representation of a typical account composition but should not be construed as absolute. Ultimately, the exact composition makeup and allocation of securities are determined by the client's investment parameters, which can compose a more detailed and/or complex structure.**

We may also on occasion use additional investment vehicles to achieve the client's desired investment objective; such as other publicly traded securities.

Typically we utilize various equity, ETF's, foreign securities, warrants, corporate debt, commercial paper, CD's, Municipals, U.S. Government Securities, option contracts, partnerships, oil & gas interests, mutual funds, variable annuities and variable life.

### INVESTMENT STRATEGY

Our strategies are driven by pre-set fundamental criteria for each individual asset selected for the client account. The overall objective, based on the individual model, is to achieve the performance goal based on the risk/reward parameters of the client.

## INVESTMENT SERVICES

### DISCRETION

The Company will establish an executed discretionary trading authority for all managed portfolios to execute securities transactions at anytime without the consent or advice of the client unless otherwise negated by the client. The Client is advised that INVEST Financial Corporation and National Financial Services (NFS) charges a combined miscellaneous fee for ticket orders (\$29 for equities/bonds and \$19 for mutual funds).

### PORTFOLIO MANAGEMENT FEES

The standardized fee structure below represents the annual percentage charged for portfolio management provided on an asset-based fee arrangement. The fee for a quarter is one fourth of the annual applicable percentages multiplied by the aggregate market value of the assets in the account on the last business day of each calendar quarter. The fee schedule is as follows:

PORTFOLIO VALUE	ANNUAL RATES
First \$500,000	1.50%
Next \$500,000	1.25%
Next \$1 Million	1.00%
Over \$2 Million	.75%

Minimum Annual Fee: \$500

Minimum Account: \$50,000

**The Company retains discretion to modify the above fee structure depending on the size, complexity, and nature of the portfolio managed. The fees may be negotiable on a client to client basis. The minimum annual fee may be waived.**

### FEE EXCLUSIONS

The above fees for portfolio management services are exclusive of any charges imposed by the custodial firm, such as: (i) any Exchange/SEC fees; (ii) service or account charges, such as, but are not limited to: debit balances, wiring funds, overnight mailing or postage/handling fees; (iii) annual maintenance or termination fees; (iv) ticket charges by the brokerage firm for securities transactions. Typical ticket charges are \$29 for equity orders and \$19 for mutual fund orders.

### BILLING

Fees for the first quarter are payable on the date the account is opened based on the market value of the client's account on that date, pro-rated for the number of days remaining in the first quarter. Subsequent quarterly fees are payable in advance based on the aggregate market value of the last business day of the prior quarter. Market value is based on the last reported price on the valuation date.

With the client authorization, Advisory fees will be taken first from free credit balances or from any money market funds or balances. Clients will receive a copy of the invoice as a notice that their account will be invoiced and forwarded to the custodian for processing.

## **INVESTMENT SERVICES**

### **WITHDRAWALS**

If a client withdraws assets from their managed account in excess of \$50,000, we reserve the right to bill the client management fees on a pro-rata basis for the time period during the quarter in which those assets were managed. Withdrawals of that amount or greater, in most cases, will require modifications and adjustments to be made in the account to correct the client's investment allocations.

### **ERISA ACCOUNTS**

If a client's portfolio is subject to ERISA provisions, the client and/or their independent investment manager must inform us in writing, and the Client must agree to be bound by the terms of the "ERISA Supplement to Guardian Agreement." The Company does not serve as a trustee or plan administrator for any client ERISA plans, and does not advise such plans on issues such as distribution of plan assets.

### **REPORTING/CLIENT MEETINGS**

Quarterly performance reports will be provided to the client by mail or by personal meeting. The reports serve as an account summary highlighting asset allocation, cumulative performance returns, cost basis and positions held, year-to-date summary on all changes, portfolio appraisal, and chart with current industry allocation. We attempt to meet with our clients quarterly but no less than annually.

### **TERMINATION PROVISIONS FOR INVESTMENT SERVICES**

Clients have five (5) full business days after entering into an Investment Advisory Agreement in which to cancel our investment services and not incur any costs. Thereafter, should the client wish to terminate investment services on a day other than the last day of the month, the Company shall be paid fees due through the date of termination on a pro-rata basis.

To terminate our investment services, a written notice should be submitted at least 30 days prior to the actual termination date, which provides clear instruction as to what the client wants done with his/her account (i.e. liquidate the account, finalize all transactions and/or cease all investment activity). Once the termination notice has been received and we have implemented the final instructions from the client, we are no longer responsible for the management of client assets, from the date the termination goes into effect, the client becomes responsible for making their own investment decisions.

### **CLIENT TRANSACTIONS**

The Company generally recommends custodial and brokerage relations with INVEST Financial Corporation (a registered broker/dealer and member of FINRA/SIPC) and a registered Investment Adviser and its affiliated insurance agencies) and National Financial Services (custodian). NFS is a subsidiary of Fidelity Brokerage Services. NFS provides on-line services for account administrative and operational support, including electronic trading, account forms and applications, trading authorization, accounting and reporting, and other relevant administration and support services. The cost to access INVEST Financial Corporation or the Advisor Channel is paid by our Company.

## **INVESTMENT SERVICES**

The Company is not a subsidiary of, or affiliated with INVEST Financial Corporation, NFS or Fidelity in any manner. The Company is solely responsible for investment advice rendered, and advisory services are provided separately and independently of INVEST Financial Corporation, NFS or Fidelity. Representatives of the company are also Registered Representatives of INVEST Financial Corporation and may receive additional compensation in the form of mutual fund 12b-1 fees for assets held through INVEST Financial Corporation at National Financial Services (NFS).

### **CLIENT RESPONSIBILITY**

Each account will be reviewed regularly to determine if the needs and objectives of the client are being met. All accounts are reviewed in the context of the stated investment objectives and guidelines of the client. Any adjustments made to the pre-defined guidelines are dictated by their investment parameters. Cash needs will be adjusted as necessary. Clients receive monthly statements from the custodian where their accounts are held. Each statement summarizes the specific investments currently held, the value of the client's portfolio and account transactions. Client should review their statements and call should they have any questions.

### **SECURITIES AND AMOUNT BOUGHT AND SOLD**

The Company executes an agreement with each client, which sets forth the authority to buy and sell securities in amounts to be determined appropriate for the account and whether such transactions are with discretion.

### **DIRECTION OF TRANSACTIONS AND COMMISSION RATES**

The Company does not have the discretionary authority to determine the broker/dealer to be used or the commission rates to be paid. The choice of brokerage firm to act as the custodian over each client account will always be approved by the client. If asked, the Company will suggest INVEST Financial Corporation; however, it should be understood that the Company does not have the authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. Client is also advised that representatives of the company are also registered persons of INVEST Financial Corporation.

There will be no attempt by the Company to recommend INVEST Financial Corporation solely on the lowest commission rates available. General reputation, trading capabilities, investment inventory, and client investment needs, financial strength, and the Company's personal experience working with INVEST Financial Corporation is considered, among other items, in making this suggestion.

## **OTHER SERVICES**

### **FINANCIAL PLANNING SERVICES**

Through INVEST Financial Corporation, planning services are usually provided for a flat fee or hourly rate. A typical fee is from \$250 to \$500 depending on the depth of the plan. Clients sign a Consulting Services Agreement through INVEST Financial Corporation's registered Investment Adviser. Fees are due at the time of executing the contract but may

## **OTHER SERVICES**

be collected after services are rendered. Fees are made payable to INVEST Financial Corporation.

### **OTHER SERVICES**

As a part of our services, through INVEST Financial Corporation, we provide a range of products to service our clients. Our company may offer annuity, life insurance and other commission related products. Our principals are representatives of INVEST Financial Corporation. Our office is an OSJ (Office of Supervisory Jurisdiction). Sheila Collins supervises other representatives.

### **RECORDKEEPING SERVICES**

The firm may also provide recordkeeping services to clients that have assets held elsewhere who wish us to track those assets and make recommendations. Performance reporting is also provided. The client will sign a recordkeeping contract which outlines our services and the fee schedule. There is no discretionary authority, but we may provide guidance on the assets. The fee is typically ½ of 1% of the combined market value of the assets. There is usually a \$50,000 minimum account size and a minimum fee of \$1,000 both of which can be negotiated.

### **REFERRAL SERVICES**

The company may compensate someone for client referrals. If so, the Solicitor signs an agreement prior to soliciting the client for our services. The Solicitor's responsibilities are outlined in a separate Solicitor's Agreement. The Solicitor is fully disclosed to the client within the Investment Advisory Agreement. The fee schedule is not increased due to the Solicitor's Agreement. The solicitor's fee is a result of the solicitor's efforts in referring client accounts to the Company for investment services.

## **CONFLICTING INTERESTS**

### **PARTICIPATION OR INTERESTS**

It is against Company policies for any officers, directors and employees to invest in a private business interest or other non-marketable investment with a client or clients unless the Company has granted prior approval, and is not in violation of any SEC and/or State rules and regulations.

Personnel of the Company are permitted to personally invest their own monies in investments that may, from time to time, be recommended to clients. Personal trading activities conducted by the Company's officers, directors and employees are monitored by The Company to ensure that such activities do not impact upon client security or create conflicts of interest.

### **INSIDER TRADING ACTIVITIES**

The Company is, and shall continue to be, in total compliance with the Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, we have adopted a firm-wide policy statement outlining insider trading compliance by the Company and our personnel. This statement has been distributed to all personnel of the company and has been signed and dated by such persons. Copies of such signed originals are maintained in our personnel files.



## **CONFLICTING INTERESTS**

### **CODE OF ETHICS**

As a fiduciary, the Company has an affirmative duty to render continuous, unbiased investment advice, and at all times act in the clients' best interest. To maintain this ethical responsibility to clients, the Company has adopted a Code of Ethics that establishes the fundamental principles of conduct and professionalism expected by all officers, directors and employees in discharging their duties. This Code is a value-laden guide committing such persons to uphold the highest ethical standards. The Company Code of Ethics is designed to deter inappropriate behavior and heighten awareness as to what is right, fair, just and good by promoting:

### **CONFLICTING INTERESTS**

- ✓ Honest and ethical conduct
- ✓ Full and accurate disclosure
- ✓ Compliance with applicable rules and regulations
- ✓ Reporting of any violation to the Code
- ✓ Accountability

A copy of the Company's Code of Ethics is available to review upon request.

### **PROXY VOTING**

The Company is hereby expressly precluded from voting proxies. Clients understand and agree that the client retains the right to vote all proxies, which are solicited for securities held in the managed accounts. Any proxy solicitations received at the Company's place of business will be immediately forwarded to the client for their evaluation and decision as to how they wish to respond to the proxy.

## **QUALIFICATIONS AND METHODS**

### **METHODS OF ANALYSIS**

In analyzing stock and bond investments, the Company uses a fundamental and technical approach to gathering information. Such analysis considers the economic conditions, earnings, cash flow, book value projections, industry outlook, price-earnings ratios, dividends, general level of interest rates, debt ratios, charting and other pertinent information to guide the Company in its decisions.

### **SOURCES OF INFORMATION**

The Company relies on numerous financial publications as well as independent research sources for information. Other sources may include, but are not limited to; domestic, international and governmental newspapers, bulletins, magazines, books and other publications. On occasion, we will use material prepared by investment companies and research releases prepared by other research companies.

### **INVESTMENT STRATEGIES**

The Company generally recommends long-term investment strategies requiring a minimum of at least a five-year time horizon. However, depending on the client profile and risk parameters, we may invest in short term purchases.

## QUALIFICATIONS AND METHODS

### EDUCATION AND BUSINESS STANDARDS

Any Investment Advisory Representatives retained by the Company will be required to have at least five [5] years suitable experience in the fields directly related to investments and financial planning, as well as the required examinations and professional designations or have earned a four-year undergraduate degree.

### BUSINESS QUALIFICATIONS

#### **SHEILA COLLINS**

Date of Birth: September 13, 1950

Sheila Collins is responsible for the leadership and direction of the Company, as well as, ensuring investment portfolio activities are being performed to the expectations of the clients. Mrs. Collins has over 29 years of professional experience and worked in a principal capacity in the areas of operations, personal finance and investment management.

Education: N.A.S.D. Exams: Series 7: General Securities  
Series 24: General Principal  
Series 28: Financial and Operations Principal  
Series 51: Limited Principal-Municipal  
State of Florida: Series 66: Investment Advisor/Blue Sky  
Insurance : Life and Variable Annuity License

CFA Level 1: Course in progress

Business:	2002/Present:	Collins Capital Management, Inc. Position: President (owner) INVEST Financial Corporation Position: OSJ Branch Manager-Registered Representative of INVEST
	2000/2002:	Allen C. Ewing Position: Investment Advisor Representative
	1999-2000	Sears Thompson Investment Group Position: President (owner) (Sears Thompson sold to Intrepid Capital- Allen C. Ewing was the Broker Dealer)
	1978/1999	Sears Thompson Investment Group Position: Chief Financial Officer

## QUALIFICATIONS AND METHODS

### BUSINESS QUALIFICATIONS

**Helen M. Rake, CFP®**

Date of Birth: March 10, 1970

Helen Rake is a principal of the Company. She is actively involved in investment portfolio management and is on the investment committee. Mrs. Rake has over 7 years of professional experience and has worked in the areas of personal finance and investment management.

Education: N.A.S.D. Exams: Series 7: General Securities

Series 24: General Principal

Series 63: Blue Sky

State of Florida: Series 65: Investment Advisor

Insurance : Life, Health & Variable Annuity License

CFP: Certified 11/01/04

CFA Level 1: Course in progress

Business: 03-2004/Present: Collins Capital Management, Inc.

Position: Investment Advisor

INVEST Financial Corporation

Position: Registered Representative of INVEST

06/2001-03/2004: The Pinnacle Group/Jefferson Pilot Securities

Position: Financial Services Associate

03/2001-06/2001 Met Life Securities

Position: Sales

10/1999-03/2001 American Express Financial Advisors

Position: Financial Advisor