

Firm Brochure for Qualified Retirement Plans
(Part 2A of Form ADV)

Item 1 - Introductory Page

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This brochure provides information about the qualifications and business practices of Sequoia Financial Advisors, Inc.. If you have any questions about the contents of this brochure, please contact us at: (480) 421-0600, or by e-mail at michael@sequoiaadv.com. 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 Sequoia Financial Advisors, Inc. is available on the SEC website at www.adviserinfo.sec.gov.

Sequoia Financial Advisors, Inc., herein after referred to as Sequoia, offers advisory services to two distinct client groups: 1. Individual Clients seeking financial planning and/or investment advice and 2. Qualified retirement plans seeking investment advice and employee education for their employer sponsored qualified retirement plan.

This brochure provides information limited to the investment advisory and employee education services offered to Qualified Retirement Plans. If you are interested in learning more about the services to Individual Clients, please request a copy of our Form ADV Part II – Individual.

Sequoia does business as a Registered Investment Advisor; however, this does not imply a certain level of skill or training. Please see Part 2B of Form ADV to learn more about our education and experience as investment advisors.

March 31, 2011

Item 2 - Material Changes

Annual Update

The Material Changes section of this brochure will be reviewed annually and updated when material changes occur.

Material Changes since the Last Update

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies the sections and organization for the new format.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (480) 421-0600 or by e-mail at michael@sequoiaadv.com.

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Item 4 - Advisory Business

Firm Description

Sequoia Financial Advisors, Inc. is an SEC-registered investment advisor with its principal place of business located in Phoenix, Arizona. Sequoia Financial Advisors, Inc. was founded in 1985.

Sequoia Financial Advisors, Inc. provides two primary services:

1. Personal Financial Planning for individuals and couples
2. Investment Advisory Services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses.

This brochure provides information limited to the investment advisory and employee education services offered to Qualified Retirement Plans. If you are interested in learning more about the services to Individual Clients, please request a copy our Form ADV Part II – Individual Clients.

In this brochure, we describe the services we provide for each of the following qualified retirement plan programs:

Profit Sharing and 401(k) Plans: We serve as an independent advisor and fiduciary to our plan sponsors and trustees. Sequoia works with trustees to establish an investment program that addresses the fiduciary obligations of the sponsor as well as offering education on retirement planning for plan participants. Being independent, we are not limited to any one product, provider or platform, allowing us to help our clients select the program that is best suited to meet their requirements.

Defined Benefit Plans: We also provide investment advisory services and fiduciary support to the sponsors and trustees of defined benefit plans. We gather information to understand the funding and distribution requirements of the plan and design an investment portfolio to meet those unique needs. Sequoia selects a combination of independent money managers to create the overall strategy and monitors the portfolio to address the plan's objectives.

Special Project Consulting: Sequoia provides advisory services on an hourly basis to assist plans sponsors with specific research, due diligence, and support services needed on a limited basis.

The investment assets related to the advisory services of Sequoia are always held at an independent custodian (i.e. Schwab, Pershing, Genworth Trust Co. etc.). Sequoia never acts as a custodian of client assets. This is important as the client always maintains control and has independent verification of their assets. If we place trades for clients, we do so with the client's permission granted under a limited power of attorney.

Investment accounts may be opened on a non-discretionary or discretionary basis. No matter which type of account is opened, Sequoia's investment advisory services are delivered on a non-discretionary basis. That is, Sequoia will conduct an analysis and

make recommendations as to what it considers to best fit the clients' circumstances; however, it is always up to the client to make the final decision on investment selection

Investment and/or portfolio reports are provided quarterly. Formal Plan Reviews are scheduled on a semi-annual basis unless special circumstances call for more frequent meetings. More frequent internal reviews occur but are not necessarily communicated to the client unless immediate changes are recommended.

The initial meeting with the plan sponsor or trustee is free of charge and is considered an exploratory interview to determine the extent to which the investment advisory services may be beneficial to the client. Sequoia may also create proposals to provide services in response to formal Requests for Proposal (RFP).

The representatives of Sequoia are also Registered Representatives of Foothill Securities, Inc. a Registered Broker Dealer.

Sequoia does not practice law or accounting. Other professionals (e.g., lawyers, accountants, third party administrators, actuaries, custodians, insurance agents, etc.) may be involved in a client's plan and are engaged directly by the client on an as-needed basis. Conflicts of interest will be disclosed to the client in the unlikely event they should occur.

Principal Owners

Michael J. Fischer is a 100% stockholder of Sequoia Financial Advisors, Inc.

Types of Advisory Services

Clients typically engage Sequoia in one of three ways:

1. An Individual engages the firm to provide comprehensive financial planning and ongoing investment advice
2. An Individual engages the firm for investment advisory services only and *does not* engage Sequoia for a comprehensive financial plan
3. A Qualified Retirement Plan or sponsor engages the firm to provide investment advice and/or employee education to the plan trustees and participants

This brochure provides information limited to the Investment advisory and employee education services offered to Qualified Retirement Plans. If you are interested in learning more about the financial planning and investment advisory services to Individual Clients, please request a copy of our [Form ADV Part II - Individual](#).

Depending upon the type of engagement being considered, an initial evaluation of each client's situation is conducted to determine the suitability of the services to be provided as well as a consideration of costs of those services.

Pension Consulting Services

Profit Sharing and 401(k) Plans:

While the primary clients for these services will be pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to trusts, estates and charitable organizations.

Sequoia has developed a set of procedures for qualified plan clients that are designed to minimize the time commitment on the part of plan trustees while maintaining the highest fiduciary standards. We provide ongoing monitoring and support to the plan sponsor and participants, and work with plan trustees to ensure the plan is compliant with the many rules and regulations related to plan investments and participant disclosures.

Our services offered to Profit Sharing 401(k) Plans include the following:

Investment Policy Statement Preparation (hereinafter referred to as "IPS"):

We will meet with the client to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives as well as the mandates of ERISA section 404(c). We then prepare a written IPS detailing those needs and goals, including policies and procedures by which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

Selection of Investment Vehicles:

We assist plan sponsors in selecting investments that represent a broad array of the major asset classes as well as incorporating strategic and/or tactical asset allocation models. We will also review various mutual funds (both index and actively managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the needs of the client as well as the mandates of ERISA section 404(c) and will be summarized in the IPS.

Monitoring of Investment Performance:

We monitor client investments continually based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

Employee Communications:

For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will attempt to assist the participants in selecting the appropriate investment mix that best suits their individual situation and retirement planning needs.

Defined Benefit Plans:

We also offer investment advisory and consulting services to defined benefit plans. These accounts are pooled, (not self-directed by participants) and are managed by the defined benefit plan trustees or investment committee. We deliver services to Defined Benefit Plans in one of two ways:

1. Hourly consulting

If a limited engagement is needed for a specific task i.e. to perform research, attend trustee meetings and perform special projects as needed, we can provide support for a

limited duration.

2. Investment Advisory Services

Our firm provides a client with an asset allocation strategy developed through personal discussions in which goals and objectives based on the client's particular circumstances are established.

Based on the client's individual circumstances, we will then perform a search of various investment advisers (hereinafter referred to as "Third Party Money Managers") offered on the Genworth Financial Wealth Management Platform. We identify which Manager's strategy and management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, return expectations, the investment philosophy of the Third Party Money Manager and the client's views on suitability to their needs.

Once we determine the most suitable Third Party Money Manager(s) for the client, we prepare the client's Investment Policy Statement, incorporating the asset allocation and strategies of each selected manager.

Whenever participation in the GFWM Platform is part of the recommendations we make to you, along with this brochure, you will be provided a copy of the GFWM Platform Disclosure Brochure and Appendix 1. For more detailed information, please refer to Appendix 1, GFWM Platform Disclosure Brochure, Item 4.

We are available to meet with clients on a regular basis, or as determined by the client, to review the performance of the selected Third Party Money Manager(s). If we determine that a particular selected Third Party Money Manager(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's IPS, we may suggest that the client engage a different Third Party Money Manager and/or program sponsor. Under this scenario, our firm assists the client in selecting a new Third Party Money Manager and/or program. However, any move to a Manager and/or program is solely at the discretion of the client.

LIMITATIONS: As the individuals of Sequoia are registered as representatives of Foothill Securities, Inc. a registered broker-dealer, all investment programs are subject to the broker-dealer's due diligence process and must meet with their approval.

Financial Planning and Investment Management Services

Sequoia also provides Financial Planning, investment advisory and consulting services to individual clients as well. For information related to these services, please request our Form ADV Part II - Individual

As of 12/31/2010, Sequoia manages approximately \$29,254,644 in assets for approximately 61 individual financial planning and investment management clients. In addition, Sequoia manages approximately \$172,657,303 in assets for approximately 70 Qualified Retirement Plan clients. Approximately \$43,022,108 is managed on a discretionary basis (client has provided Sequoia with advance permission to act on behalf of the client without getting permission on each event), and \$158,889,839 is managed on a non-discretionary basis (Sequoia needs to get client approval for each transaction).

Tailored Relationships

The goals and objectives for each client are documented in the Investment Policy Statement. Depending upon the management program selected, clients may impose restrictions on investing in certain securities or types of securities.

Agreements may not be assigned without client consent.

Types of Agreements

The following agreements define the typical client relationships.

Investment Advisory Agreements

Profit Sharing and 401(k) Plans

Our standard Investment Advisory agreement with a Profit Sharing /401(k) plan is executed directly with the plan sponsor and trustees. Our agreement defines our role as an investment fiduciary, specifies services to be provided, describes the fee structure, states the terms of the relationship and the use of independent custodians, and provides other important relationship disclosures.

The plan structure or “platform” can vary based on the needs of the plan. Some plan sponsors prefer a bundled platform, meaning that one plan provider serves as custodian, performs daily trading, and maintains individual participant records and reporting. They may also serve as Third Party Administrators and perform annual compliance testing and reporting. A separate agreement between the service provider and the plan sponsor would be required.

Another alternative is to use an unbundled platform, where the custodian maintains and invests assets, but an unrelated Third Party Administrator handles the daily trading, participant records and reporting, and all compliance testing and reporting. The Plan Sponsor would have separate agreements for each service provider specifying the services and associated fees.

Defined Benefit Plans

When a plan sponsor, trustee or investment committee wishes to secure our investment advisory services for a defined benefit or profit sharing plan managed in a pooled account, we typically utilize our Third Party Money Manager program as the means of delivering that service.

Through discussions with the plan trustees, we determine the goals and objectives, time horizon and liquidity needs of the plan and make recommendations for the asset allocation and the combination of manager styles best suited to those factors. At account opening, the Investment Proposal, Statement of Investment Policy and Investment Advisory Agreement are then drafted to reflect these decisions.

Hourly Planning Engagements

Sequoia provides hourly planning services for clients who need consulting services on a limited scope basis. A custom Investment Advisory Agreement which details the nature of the project, the costs and other details is executed for such engagements. Please see Item 5 - Fees and Compensation below for fee information.

Item 5 - Fees and Compensation

Description

Fees and compensation for work with Sequoia are always clearly stated in an agreement prior to the start of any work to be performed.

Sequoia typically bases its fees on a percentage of assets under management; however, we may also use hourly charges, fixed fees, and commissions under limited circumstances.

Some *Retainer Agreements* may be priced based on the complexity of work, especially when asset management is not the primary element of the relationship.

Fees are negotiable.

Qualified Retirement Plan Advisor Service Fees

As an investment fiduciary to a qualified plan, Sequoia must work within the duties and obligations of **ERISA** (Employee Retirement Income and Securities Act) and the IRS which places restrictions on certain forms of compensation. If we charge fees based on plan assets, we cannot be paid any additional commissions or 12b-1 fees from the investments or products offered in the plan. However, if the investment product is contractually structured so that commissions or 12b-1 fees are paid to us, we will use those payments to offset our advisory fees.

Some plans may offer participants the opportunity to purchase stocks and bonds through an open brokerage window offered by the custodian. The custodian or brokerage firm charges a fee for these stock and bond trades. Sequoia does not receive compensation, in any form, from fund companies and does not charge an investment management fee on assets a participant holds in an open brokerage window.

Profit Sharing and 401(k) Plan Fees – Unbundled Service Platform

The annualized fee for Investment Advisory Services will be charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$250,000	1.0%
\$250,001 - \$500,000	.75% (next \$250,000)
\$500,001 - \$1,000,000	.50% (next \$500,000)
\$1,000,001 - \$10,000,000	.25% (next \$9,000,000)
Over \$10,000,001	.20%

Investment Advisory fees are billed quarterly, in arrears, meaning that we invoice you after the three-month billing period has ended. Payment in full is expected upon invoice presentation. Investment Advisory Fees can be paid by the plan sponsor or may be

deducted from plan assets. In either case, a quarterly fee statement is delivered to and authorized for payment by the plan trustees. Company Paid plans send payments directly to Sequoia while participant paid plans have the fees processed by the Third Party Administrator for payment directly from the custodian. When an account is opened, a pro-rated fee for the time the account was open is applied in the first quarterly bill.

A minimum annual fee of **\$1,000.00** is required for this service. Should account assets be unable to pay the minimum fee under this schedule, fees will be billed to the plan sponsor until such time that the account assets can support payment of this minimum annual fee. This account size may be negotiable under certain circumstances. Sequoia may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Profit Sharing and 401(k) Plans Fees – Bundled Service Platform

When we provide services to a plan on a bundled service platform, we will either serve as the broker of record if it is a group annuity product or as an investment advisor if it is a registered product. For group annuity products, we are paid commissions as the broker of record. When the custodian offers a registered product, we are paid an investment advisory fee. In either case, the fee paid on such account will be assessed based on the standard fee schedule offered by the bundled provider. If flexible payment plans are offered, we will make every effort to match the payment schedule offered in the Investment Advisory Fee Schedule shown above.

Defined Benefit Plans

Third Party Money Manager accounts on the GFWM Platform are assessed a Total Account Fee. This Total Account Fee includes the following:

1. A Product Advisory Fee made up of fees paid to Sequoia and fees paid for utilizing the GFWM Platform.
2. If a Discretionary Manager under the Managed Account Solutions (IMA, CMA or UMA) is chosen, the Account Fee may also include fees payable to those managers.

After the GFWM Platform fee is deducted from the Product Advisory Fee (#1 above), the resulting net fees payable to Sequoia are demonstrated below:

<u>Assets Under Management</u>	<u>Annual Fee</u>
First \$250,000	1.00%
\$250,001 - \$500,000	.95% (next \$250,000)
\$500,001 - \$1,000,000	.90% (next \$500,000)
\$1,000,001 - \$2,000,000	.80% (next \$1,000,000)
\$2,000,001 - \$3,000,000	.70% (next \$1,000,000)
\$3,000,001 - \$5,000,000	.50% (next \$2,000,000)
OVER - \$5,000,001	.40%

The minimum annual fee to Sequoia is \$500 and is negotiable. Current client relationships may exist where the fees are higher or lower than the fee schedule above.

Investment advisory fees are billed quarterly, in advance, meaning that we invoice you before the three-month billing period has begun. Payment is calculated on the average daily balance in the account for the prior quarter. The client must consent in advance to direct debiting of their investment account. Clients may terminate GFWM accounts at any time and receive a pro-rata refund of any unearned fees.

Special note should be made about the fee billing procedure upon opening an account with a Third Party Money Manager Program. When an account is opened, a full quarterly billing is applied at the end of the funding month based on the opening account value. For the next quarterly billing, the client is then rebated the prior quarter fee for the time the account was not open. From that point forward, the billing process will follow the process described in this section.

For accounts with the same registration, Sequoia's advisory portion of the fees is linked for fee-billing purposes. This process allows the client to benefit from the sliding fee schedule and pay the lowest possible fee.

General Fee and Compensation Disclosures

Limited Negotiability of Advisory Fees

Although Sequoia has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs will be considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts, portfolio style, account composition, and reports among other factors. The specific annual fee schedule will be identified in the contract between the adviser and each client.

Discounts not generally available to our advisory clients may be offered to family members and friends of associated persons of our firm.

Hourly Planning Fees

Sequoia provides hourly planning services for clients who need consulting services on a limited scope basis. A custom Investment Advisory Agreement which details the nature of the project, the costs and other details is executed for such engagements. The hourly rate for limited scope engagements is \$230.00 for professional services and \$100.00 for administrative services.

Other Fees

Custodians may charge custodial fees or transaction fees on purchases or sales of certain mutual funds and exchange-traded funds. These transaction charges are usually small and incidental to the purchase or sale of a security. The selection of the security is more important than the nominal fee that the custodian charges to buy or sell the security.

Expense Ratios

Mutual funds generally charge a management fee for their services as fund managers. The management fee is called an expense ratio. For example, an expense ratio of 0.50 means that the mutual fund company charges 0.5% for their services. These fees are in addition to the fees paid by you to Sequoia. These fees and expenses are described in each fund's prospectus.

Performance figures quoted by mutual fund companies in various publications reflect performance after fees have been deducted.

Termination of Agreement

Although the Investment Advisory Agreement is an ongoing agreement and occasional adjustments may be required, the length of service to the client is at the client's discretion.

A Client may terminate any of the aforementioned agreements at any time by notifying Sequoia in writing 30 days in advance and paying the rate for the time spent on the investment advisory engagement prior to notification of termination. If the client made an advance payment, Sequoia will refund any unearned portion of the advance payment.

Sequoia may terminate any of the aforementioned agreements at any time by notifying the client 30 days in advance and in writing. If the client made an advance payment, Sequoia will refund any unearned portion of the advance payment.

Past-Due Accounts and Termination of Agreements

Sequoia reserves the right to stop work on any account that is more than 90 days overdue. In addition, Sequoia reserves the right to terminate any financial planning engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate, in Sequoia's judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded within 30 days.

Financial Industry Activities – (Relationship with Broker-Dealer)

The representatives of Sequoia are also affiliated as Registered Representatives of Foothill Securities, Inc. a Registered Broker Dealer. As such, in addition to providing financial advice, the representatives of Sequoia may engage in the business of selling insurance, stocks, bonds, mutual funds, limited partnerships, annuities, or other commissioned products. Sequoia may receive economic benefit (commissions) in connection with the sale of these products. The act of recommending and being compensated for the purchase of products may represent a conflict of interest with the practice of giving financial advice to clients. Whenever such conflict might arise, Sequoia will make every effort to fully and completely disclose them to the client prior to or along with the product recommendation. See Item 10 – Financial Industry Activities for more detail. General Fee and Compensation Disclosures.

Account Minimums

There is no minimum amount requirement for Profit Sharing 401(k) Plans. The minimum investment in the GFWM Platform depends upon the Investment Solution chosen for a client's account and is generally as follows:

Mutual Funds: \$25,000 - \$50,000

Variable Annuity Accounts: \$100,000

ETFs (Exchange Traded Funds) Accounts: \$100,000

Distribution Strategies: \$250,000

Privately Managed and Unified Managed Accounts: \$50,000 to \$500,000 depending upon the investment strategy selected for the account, as described in more detail in the GFWM Platform Disclosure Brochure, Appendix1.

Accounts below stated minimums may be accepted on an individual basis at the discretion of the Platform sponsor.

Grandfathering of Minimum Account Requirements

Pre-existing advisory clients are subject to Sequoia's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

Sequoia may request a Third Party Manager Program provider to waive the account minimum. Accounts of less than \$50,000 may be set up when the client and the advisor anticipate the client will add additional funds to the accounts bringing the total to \$50,000 within a reasonable time. Other exceptions will apply to employees of Sequoia and their relatives, or relatives of existing clients.

Advisory Fees in General

Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees

Under no circumstances do we require or solicit payment of fees in excess of \$1200 more than six months in advance of services rendered.

Item 6 - Performance Based Fees

Sharing of Capital Gains

Sequoia does not charge fees based on a share of the capital gains or capital appreciation of managed securities.

Sequoia does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

Item 7 - Types of Clients

Description

SEQUOIA generally provides investment advice to individuals, pension and profit sharing plans, trusts, estates, or charitable organizations, corporations or business entities.

This disclosure document is limiting its discussion to services related to qualified retirement plans. *If you are interested in learning more about the services to Individual Clients, please request a copy of our Form ADV Part II – Individuals.*

Types of Qualified Retirement Plans and clients we serve:

- Profit Sharing and 401(k) Plans
- Defined Benefit (Pension) Plans
- Simple IRA Plans
- Charitable Organizations

Client relationships vary in scope and length of service.

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

Methods of Analysis

The main sources of information we use include research materials prepared by others, third party money manager commentary and analysis, corporate rating services, timing services, annual reports, prospectuses, filings with the Securities and Exchange Commission, company press releases, inspections of corporate activities, professional seminars and meetings, and financial newspapers or magazines,.

Other sources of information that we may use include Morningstar Principia mutual fund, stock and variable annuity information, F1360 Analytical Tools, Charles Schwab & Company's "SchwabLink" service, Pershing NetXPro360, Genworth Financial Wealth Management "e-Wealth Manager", JP Morgan Guide to Markets, and the World Wide Web.

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to successfully invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past

performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis. We consider the reports and information provided from the due-diligence process offered by the GFWM Platform investment due diligence team. We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest successfully over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

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

In advising our clients in the GFWM Platform, we use model portfolios of mutual funds, Exchange Traded Funds (ETF's) and Variable Annuity sub-accounts provided by a number of institutional investment strategists based on the information, research, asset allocation methodology and investment strategies of these institutional strategists.

With respect to clients investing in the GFWM Platform, we introduce clients to, and advise on the selection of, independent investment managers who provide discretionary management of individual portfolios including a wide variety of different securities types. Clients will receive a separate disclosure from such investment managers regarding any such investment manager's advisory services.

Investment Strategies

The investment funds offered in Profit Sharing and 401(k) qualified plan accounts are based on the concept of asset allocation. We screen for mutual funds in each major asset class i.e. large cap growth, small cap value, so that participants can create a diversified portfolio according to their own risk tolerance and time to retirement.

To simplify the process, Sequoia also provides risk-based asset allocation portfolios that a participant can choose so that the work of selecting investments and managing the portfolio is done automatically.

There are two primary approaches to asset allocation: Strategic Asset Allocation and Tactical Asset Allocation.

Strategic asset allocation is sometimes called a “passive” strategy in that it blends a portfolio of mutual funds and/or exchange-traded funds to represent a variety of asset classes. The funds primary risk control is based on diversification as well as the amounts allocated to fixed income (bonds) which are considered to have less risk and the amount allocated to equities (stocks) which are considered to carry greater risk. Portfolios are periodically re-balanced to return to the original asset allocation mixture.

Tactical asset allocation is sometimes called an “active” strategy in that the manager believes there is a way to assess economic and market conditions to determine the appropriate allocations to stocks and bonds. He/she may further attempt to identify undervalued (or opportunistic) investments as well as those that may be overvalued (or risky). Risk is controlled through diversification with the addition of actively overweighting the portfolio in assets that they believe are undervalued and underweighting the portfolio in assets that are risky. Portfolios are periodically rebalanced to reflect changes in market conditions and take advantage of price discrepancies in the investment markets.

All portfolios are globally diversified to control the risk associated with traditional markets. A typical recommendation to participants attempts to capture the benefits of each approach by representing a blend of both Strategic allocation and Tactical allocation.

Additional strategies that are considered “Alternative Investments” may also be employed and offered to supplement portfolios. Alternatives involve strategies that are not correlated to the stock and bond markets and provide expanded opportunities for diversification and risk management. Examples of Alternatives may be vehicles that utilize Managed Futures Trading, Global Macro Strategies, Long / Short Strategies, and others.

Risk of Loss

- All investment programs have certain risks that are borne by the investor. Our investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:
- Interest-rate Risk: Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security’s particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency Risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment’s originating country. This is also referred to as exchange rate risk.

- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- ***Risks for all forms of analysis.*** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

Item 9 - Disciplinary Information

Legal and Disciplinary

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10 - Financial Industry and Other Activities and Affiliations

Financial Industry Activities

Advisory personnel of Sequoia are separately licensed as registered representatives of Foothill Securities, Inc., an unaffiliated broker-dealer. These individuals, in their separate capacity, can effect securities transactions for which they would receive separate, yet customary compensation.

As a Registered Investment Advisor, it is Sequoia's fiduciary duty to put the

interest of our clients first. To avoid any conflict of interest, we take the following steps:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

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

Code of Ethics

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Sequoia and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Sequoia's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to michael@sequoiaadv.com, or by calling us at 480-421-0600.

Sequoia and individuals associated with our firm are prohibited from engaging in principal transactions.

Sequoia and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our 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.

Personal Trading - Participation or Interest in Client Transactions

Sequoia does not trade individual securities as a normal part of our advisory services. The only time we trade individual securities for clients is to accommodate a client's unsolicited request to purchase a specific security in one of their brokerage accounts. Thus, the potential for us to commit unfair trading practices that may damage clients is greatly reduced. However, as a firm that practices in the financial services industry, we are required to have policies and procedures in place to protect our clients from fraudulent or unfair trading practices. The following section summarizes those policies and procedures.

The Chief Compliance Officer of Sequoia Financial Advisors, Inc. is Michael J. Fischer. He reviews all employee trades each quarter. His trades are reviewed by Gina Cizek. The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that clients of the firm receive preferential treatment. Since most employee trades are small mutual fund trades or exchange-traded fund trades, the trades do not affect the securities markets.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

- No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
- No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
- It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
- Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.

- We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
- We have established procedures for the maintenance of all required books and records.
- All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
- We have established policies requiring the reporting of Code of Ethics violations to our senior management.
- Any individual who violates any of the above restrictions may be subject to termination.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm are separately registered as securities representatives of a broker-dealer; Foothills Securities, Inc. and/or licensed as an insurance agent/broker of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

Item 12 - Brokerage Practices

Selecting Brokerage Firms

Recommendations to a specific custodian are made to Clients based on their need for such services. Sequoia recommends custodians based on the proven integrity and financial responsibility of the firm. The selection of a custodian or brokerage firm may also be influenced by the selection of third party money managers who are limited to conducting their trading activities on specific platforms. Support services and access to client reporting is also considered. Sequoia does not receive any referral fees or *commissions* from the custodians or brokerage firms in any of these arrangements.

Brokerage Account Custodians – Profit Sharing and 401(k) Plans

Currently, the majority of the Profit Sharing and 401(K) Plans that we advise are held at Charles Schwab & Co., either in the Trust or Broker-Dealer division.

For our accounts maintained in its custody, Schwab generally charges separately for its custody services, and transactions are typically conducted on a no-load, no-transaction-fee basis.

Schwab's products and services that assist us in managing and administering our clients' accounts include software and other technology that

- provide access to client account data (such as trade confirmations and account statements);

- facilitate trade execution
- provide research, pricing and other market data;
- facilitate payment of our fees from clients' accounts; and
- assist with back-office functions, recordkeeping and client reporting.

Schwab Institutional also offers other services intended to help us manage and further develop our business enterprise. These services may include:

- i. compliance, legal and business consulting;
- ii. publications and conferences on practice management and business succession; and
- iii. Schwab may make available, arrange and/or pay third-party vendors for the types of services rendered to Sequoia. Schwab Institutional may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to our firm.
- iv. Schwab Institutional may also provide other benefits such as educational events or occasional business entertainment of our personnel.

In evaluating whether to recommend or require that clients custody their assets at Schwab, we may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors we consider and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which may create a potential conflict of interest.

In addition to Schwab, we have relationships and several plans with a number of other custodians who provide bundled or partially bundled services that might better match the particular needs of a client.

Third Party Money Manager Programs – Defined Benefit or Pooled Accounts (GFWM Platform)

The Third Party Money Manager program has several custodians at which investment accounts can be held. Currently, we are directing these accounts to Genworth Financial Trust Company for their lower fees and the expanded account options being offered.

We assist clients in selecting the risk/return objective and Portfolio Strategists that best suit the client's objectives. The client then specifically directs the account to be invested in accordance with the chosen asset allocation. When the client selects the asset allocation, the client further directs that the account be automatically adjusted to reflect any adjustment in the asset allocation by the selected Portfolio Strategist. This client authorization results in the purchase and sale of certain mutual funds or ETFs (or transfers between variable annuity sub-accounts) without further authorization by the client or any other party at such time as the portfolio Strategist changes the composition of the selected model asset allocation.

The client receives confirmation of all transactions in the account and is free to terminate participation in the Platform and retain or dispose of any assets in the account at any time. We have no authority to cause any purchase or sale of securities in any client account, or change the model asset allocation or to direct the account to be invested in

any manner other than as previously authorized by the client.

If a client selects an IMA, UMA or CMA investment solution, the third-party Discretionary Managers are granted the authority to manage the accounts on a discretionary basis, including the authority to buy, sell, select, remove and select securities and other investments for the account, and to select the broker-dealers or others through which transactions will be affected.

Best Execution

As previously stated, the purchase and sale of individual securities is not a primary business of Sequoia and therefore the concern over best execution is not a significant issue. We have committed to practice under a Code of Ethics which addresses the fair trading practices and all of our staff have read, understand and follow these practices. The trading practices are documented in the Sequoia *Compliance Manual*. Sequoia does not receive any portion of any trading fees incurred in client accounts.

Soft Dollars

Sequoia does not receive soft dollars from any of their custodial / brokerage arrangements.

Order Aggregation

Most trades are mutual funds or exchange-traded funds where trade aggregation does not create any client benefit.

As a matter of practice, Sequoia does not routinely trade individual securities for clients. Therefore we do not generally block client trades for individual securities.

Item 13 - Review of Accounts

Profit Sharing and 401(k) Plans

Periodic Reviews

Sequoia will review the client's Investment Policy Statement (IPS) annually or whenever the client advises us of a change in circumstances regarding the needs of the plan. Sequoia will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally take place no less than semi-annually.

These accounts are reviewed by: Michael J. Fischer, President and Gina M. Cizek, qualified retirement plan specialist.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation. Account reviews may be performed more frequently when market conditions dictate.

Regular Reports

Sequoia will provide investment performance reports to Pension Advisory Services clients on a quarterly basis and other reports based on the terms set forth in the client's Investment Policy Statement (IPS) or Investment Advisory Agreement. Reports may be delivered electronically or in paper form based upon client choice. When acting only as a pension consultant performing special projects on a fee or hourly basis, reports will be provided as needed specifically by the nature of each project. Reports for ongoing trustee meetings are typically delivered in paper format at the time of the meeting.

Defined Benefit Plans - Third Party Money Managers

Periodic Reviews

Investors participating in the GFWM Platform will receive periodic custodial account statement (not less frequently than quarterly) from their account Custodian.

Sequoia will review the account structure and performance on a quarterly basis. These accounts are reviewed by: Michael J. Fischer, President of Sequoia.

Review Triggers

Other conditions that may trigger a review are changes in the tax laws, new investment information, and changes in a client's own situation. Account reviews may be performed more frequently when market conditions dictate.

Regular Reports

The GFWM Platform issues periodic written reports to its investment advisory clients. These written reports generally contain a list of assets, investment results, and statistical data related to the client's account, and are made available via mail or electronic delivery. The information in these reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. We urge clients to carefully review these reports and compare the statements that they receive from their custodian to the reports the GFWM Platform provides.

Item 14 - Client Referrals and Other Compensation

Incoming Referrals

Sequoia has a solicitor's agreement with TPGR Insurance and Financial Services, LLC. (TPGR) and directly compensates TPGR for client referrals. TPGR is paid a percentage of the advisory fee or commission received by Sequoia. TPGR Insurance and Financial Services, LLC is a Registered Investment Advisor with the state of Arizona and its principal (Robert N. Tellier, TPGR Managing Partner) is also a Registered Representative of Foothill Securities, Inc. a Registered broker Dealer.

Whenever we pay a referral fee, we require the Solicitor to provide the prospective client

with a copy of this document and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount or rate of the fee; and

As a matter of firm practice, the advisory fees paid to us by clients referred by solicitors are not increased as a result of the referral.

It is Sequoia's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Sequoia has been fortunate to receive many client referrals over the years. The referrals came from current clients, estate planning attorneys, accountants, employees, personal friends of employees and other similar sources. Other than the specific solicitor arrangement described in the preceding paragraph, we do not provide monetary compensation to referring parties for referrals. However, the firm may send nominal gifts such as flowers, confections or other minor expressions of gratitude for these referrals.

GFWM Platform

With respect to the GFWM Platform, we may, subject to negotiation with GFWM, receive certain allowances or reimbursements of services from GFWM in connection with our investment advisory services to clients, as described below and in the Appendix 1 of the GFWM Platform Disclosure Brochure.

Under GFWM's Gold/Platinum Premier Consultant Program, Sequoia is entitled to receive a quarterly business development allowance for reimbursement for qualified marketing/practice management expenses incurred by Sequoia. These amounts vary depending on the amount of the advisor's client assets managed within the Platform.

GFWM may also bear the cost of airfare for firms such as Sequoia to attend GFWM's annual conference or to conduct due diligence visits to GFWM's offices. In addition, GFWM may, from time to time, contribute to the costs incurred by participating firms such as Sequoia in connection with conferences or their client events conducted by such firms and their representatives.

GFWM may also provide opportunities for participating firms such as Sequoia to receive fee reductions and/or allowances in amounts ranging from .02% to .07% of the amount of client assets invested through the Platform. These arrangements are entered into between GFWM and a firm such as Sequoia on an individually negotiated basis. Sequoia may agree to provide GFWM with introductions to and information concerning its advisory representatives, provide the representatives with information concerning GFWM's Platform and products, and permit GFWM to participate in broker-dealer meetings and workshops. In addition to the fee reductions and/or allowances granted the firm by GFWM, GFWM may agree to provide the firm or its representatives with organizational consulting, education, training, and marketing support.

Referrals Out

Sequoia does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred out to them.

Item 15 - Custody

Account Statements

Profit Sharing and 401(k) Programs

Sequoia does not provide custodial services. All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

When Investment Advisory Fees are paid from plan assets (participant paid plans), the fees are processed by the Third Party Administrator for payment directly from the custodian. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period, including any payments to Sequoia.

Because the custodian does not calculate the amount of the fee to be deducted, clients should carefully review their custodial statements to verify the accuracy of the calculation, among other things. Invoices are sent to our clients for approval prior to being deducted from the plan assets, and this invoice can be used for comparison. Clients should contact us directly if they believe that there may be an error in their statement.

Defined Benefit Plans – Third Party Money Manager Program

Sequoia does not provide custodial services. All assets are held at qualified custodians, which means the custodians provide account statements directly to clients at their address of record at least quarterly.

We recommend that our clients compare the account statements received directly from their custodians to the Quarterly Performance Report statements provided by the GFWM Platform and any other Third Party Money Manager Programs.

The information in Quarterly Performance Reports may vary from custodial statements based on accounting procedures, reporting dates or valuation methodologies of certain securities.

Advisory fees are directly deducted from client accounts, and the client's custodian is advised by the GFWM Platform of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

Performance Reports

Profit Sharing and 401(k) Plans

At each Trustee review meeting, the following performance reports are provided:

FI360 Monitor report: This report provides performance for each investment fund in the plan and compares each investment to its peer group and index based on 11 criteria, including performance.

Morningstar Investment report for each fund: This report provides a summary of the fund's performance and key fund data.

Strategic/Tactical fund performance: This report summarizes and compares the performance results for the strategic and/or tactical asset allocation strategies available in the plan.

Quarterly:

Each plan sponsor receives a Morningstar Investment Report for each open end mutual fund. They may also receive reports produced by the respective sponsors of stable value funds and collective trust investments that may be held in the plan.

Defined Benefit Plans

For Defined Benefit Plans held on the GFWM Platform, a Quarterly Performance Report is distributed at the end of each calendar quarter. This report is prepared by the GFWM Platform and contains a summary of account balances, periodic performance of the total account as well as each separate third party manager that makes up the portfolio. This report also summarizes the rates and amounts of the quarterly fee paid.

Item 16 - Investment Discretion

Discretionary Authority for Trading

Profit Sharing and 401(k) Plans

As a normal policy, Sequoia does not practice discretionary trading authority over client accounts. In other words, we consult with the client prior to each trade to obtain concurrence.

Defined Benefit Plans – Third Party Money Managers

On the GFWM Platform, accounts can either be opened under discretionary or non-discretionary status. In either case, it is our intention to consult and gain client consent for all changes within a client's account. The discretionary account status is not intended to give us investment control; rather, it is established to provide convenience and an efficient method to service the client with minimal paperwork. For example, should a client wish to make a change between strategists, this discretion allows us to execute that change without clients signing an Account Change Form.

Discretionary Status is the default for opening accounts on the GFWM Platform. Clients are free to choose whether they wish to have accounts held under the discretionary or non-discretionary status.

Limited Power of Attorney

A limited power of attorney is an authorization for us to have certain access to your account information and to speak to custodians regarding administrative issues related to your account. You sign a limited power of attorney so that we may provide services and monitoring activities that you have approved.

Item 17 - Voting Client Securities

Proxy Votes

Periodically, mutual fund companies want to make changes to the investment prospectus for the fund. Certain changes, such as a change to the fund's investment objectives, methods of investing or administrative policies require that existing shareholders of the fund have the opportunity to vote on the change. This is referred to as a proxy vote.

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, clients maintain exclusive responsibility for: (1) voting on any proxies solicited by issuers of securities owned by the client, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets. Clients are responsible for instructing each custodian of the assets, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

On the GFWM Platform, the client retains the right to vote proxies if the Account is invested in a Mutual Fund, ETF, or Variable Annuity Investment Solution. If the Account is invested in an IMA, CMA, or UMA Investment Solution, the Client designates the applicable Discretionary manager as their agent to vote proxies on securities in the Account. Clients acknowledge that, as a result of this voting designation, they are also designating the Discretionary Manager as their agent to receive proxies, proxy solicitation materials, annual reports provided in connection with proxy solicitations and other materials provided in connection with the above actions relating to the assets in the Account. However, the Client retains the right to vote proxies and may do so by notifying us (Sequoia) in writing of the desire to vote future proxies.

Item 18 - Financial Information

Financial Condition

Sequoia does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients.

A balance sheet is not required to be provided because Sequoia does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

Sequoia has not been the subject of a bankruptcy petition at any time during the past ten years.