



**Part 2A Appendix 1 of Form ADV: *Wrap Fee Program Brochure***

All Cap Diversified Equity Portfolio (Fusion)  
The Managed Balanced Portfolio

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**This wrap fee program brochure provides information about the qualifications and business practices of Parks Capital. If you have any questions about the contents of this brochure, please contact us at 585-248-5700 and/or [support@rpigllc.com](mailto:support@rpigllc.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 Parks Capital also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## Item 2 Material Changes

There has been significant material change to the investment advisor, Parks Capital since the last annual update of this brochure dated March 31, 2010.

On December 8, 2010, Parks Capital was faced with the untimely death of its CEO & CIO Ralph Parks. Since the inception of Parks Capital in November 2005, Ralph played a key role of the lead investment manager for all products and investment strategies implemented in the firm.

As the leader of the firm Ralph focused on the importance of succession planning and business continuity and thus laid great emphasis on training his key employees for roles that would help in a smooth transition of the business.

It wasn't long into 13 years of their professional association that Ralph discovered Gina Griffo's dedication towards achieving client's long term financial goals and planning diligently for it. Gina's ability to have close ties with each and every client of the firm and her devotion towards their financial goals and success made Ralph believe that she would be the ideal candidate to succeed in his role as the Chief Executive Officer of the firm in the future. Ralph trained Gina to hold the core values and disciplines that this firm has followed long before its inception.

The role of a chief investment officer at Parks Capital requires a deep understanding of the financial market and its complexities while using technical analysis approach to meet the client's financial goals. An investment philosophy relating to performance and risk management is a must and an academic and professional background in Finance and technology is needed.

Rajiv Dixit has been training with Ralph Parks ever since he graduated from Rochester Institute of Technology in 2001. Over the past 10 years, Rajiv has helped design investment and trading strategies implemented by the firm. Since 2009, Rajiv has spearheaded equity and income investment strategies in the non-managed and wrap account of the firm. Rajiv has also helped redesign the technical analysis system used to execute investment decisions in the Fusion Portfolio. He has been a student of technical analysis investing for over 10 years and is currently enrolled in the Charter Financial Analyst program to enhance his abilities as an investment manager.

Ralph envisioned Rajiv as the ideal candidate for the role of Chief Investment officer not only because of his academic and professional background but also for his skills for aligning his investment style to the goals and successes of the firm's clients.

Thus while we are grief stricken with the great loss of our firm's founder Ralph Parks, we are also proud of his leadership and planning for the firm's future. The team at Parks Capital is committed to continue his legacy and serve our clients to the best of our abilities.

As one of the last official acts the firm changed it's name from Ralph Parks Investment Group LLC to Parks Capital on 2/11/2010.

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#### Item 4 Services, Fees and Compensation

The Advisory client may participate in one or more of the Adviser advisory services. The scope of such services are determined at the time such services are requested. Services are subject to the provisions of the respective agreements, including the provisions relating to separate payment of fees and the limitations of Adviser's duties and liabilities.

Fees are automatically deducted from the Client's account on a quarterly basis, in advance. Clients who terminate during the quarter will receive a pro-rata reimbursement for pre-paid fees at the end of the quarter.

Typically, the client is charged a single quarterly fee which includes the Adviser's advisory, clearing and custody fee as well as the cost of all transactions executed through Excel Securities & Associates, Inc., Member FINRA, SIPC. The Adviser uses the clearing and custody services of Pershing, a member of the New York Stock Exchange and SIPC, for safekeeping assets and Excel Securities for execution of securities transactions for its clients.

Excel calculates the fee and directly debits the client account. Fees are automatically deducted from the Client's account on a quarterly basis, in advance. Fees are calculated as an annual percentage of assets based on the value of the account on the last day of the prior quarter. Fees are billed on a prorated basis from inception of the account for the remainder of the calendar quarter and quarterly in advance thereafter. Fees will be adjusted for significant contributions and withdrawals during the quarter. Excel Securities collects fees and pays the Adviser its portion.

The schedule below reflects fees charged by Excel Securities on behalf of the Adviser. Subsequent to Excel Securities deducting their own fees and other third party payments (which total approximately 45bp), Excel Securities remits the balance to the Adviser. For example if the fee is 1.50% the remaining 1.05% is paid to Parks Capital for advisory management services.

The blended fee schedule for All-Cap Diversified Equity Growth Portfolio- A.K.A. "Fusion" is:

- 3.00% Fee for Managed Growth Portfolio Under \$500,000
- 2.50% Fee for Managed Growth Portfolio From 500,000 To \$1 Million
- 2.00% Fee for Managed Growth Portfolio Over \$1 Million

The fee schedule for Managed Balanced Portfolio is:

- 1.50% Flat Fee – No minimum

Clients who elect to have all assets managed by the Adviser are charged:

- 1.50% Flat Fee regardless of the product(s) chosen.

There may be situations when a mutual fund or other vehicle will be used to fill a specific asset class. Mutual funds, or other vehicles that may be used in the clients account, may have charges and expenses that are imposed independent of the Adviser and may include investment management administrative and transaction expenses. Therefore, in cases where mutual funds or other vehicles are used, the client may be charged the underlying management fee for these

mutual funds or other vehicles. These are explained fully in the prospectuses or other disclosure documents that the Adviser delivers to clients.

Certain Adviser employees may also act as broker-dealer representatives through Excel Securities. Under the supervision of Excel Securities Parks Capital's registered brokers may execute non discretionary trades and receive commission based compensation through Excel Securities. Advisory fees are reduced to offset any mark up or fees received by representatives on a client advisory account.

Transactions for wrap fee accounts are processed without any commission charges to the account. Account assets invested in shares of mutual funds or other investment companies will be included in calculating the gross value of an account for purposes of computing the advisor's fees and the same assets will also be subject to additional advisory and other fees and expenses, as set forth in the prospectuses of those funds, paid by the funds but ultimately borne by the investor.

Compensation under the Wrap Fee Schedule may be more or less than purchasing such services separately. The cost of providing services separately would be affected by individual charges for custody, interest and dividend processing, disbursements, statements, valuation, research, advice and trading. These costs are also influenced by the number of securities in a portfolio and the amount of trading. In some instances, persons recommending the program may receive compensation as a result of the client's participation in the program. The amount of compensation may be more than the person would receive if the client participated in other programs, or paid separately for investment advice, brokerage and other services. The person may, therefore, have a financial incentive to recommend the Wrap Fee Program over other programs and services.

#### Item 5 Account Requirements and Types of *Clients*

Parks Capital is proud to offer its services to a diverse range of clients. Our clients include high net worth individual, retirement and charitable trusts and pension & profit sharing plans for small size companies.

While we focus more on the quality of our client base as oppose to their account size, we do have to maintain a minimum opening account size of \$500,000 to make our services effective for the client. On occasion there may be certain circumstances where the minimum account size may be waived.

## Item 6 Portfolio Manager Selection and Evaluation

Investments for portfolios are determined by Portfolio Managers, who apply standards and practices established by the firm in analyzing and making investment decisions. Portfolio Managers are required to have a relevant university degree and/or extensive industry experience and/or extensive knowledge and understanding of portfolio management theory and investing portfolios. All Parks Capital employees are encouraged to supplement their formal education and experience through various industry-related educational programs. Gina Griffo and Rajiv Dixit co-manage client portfolios. Managers are reviewed annually by Parks Capital's Investment Committee and will be replaced if long term performance and/or stability of portfolios are unsatisfactory. Portfolio Managers make investment decisions collaboratively for all clients. Performance is compared to appropriate indexes for account allocations.

Performance results are reviewed daily to determine accuracy by Pershing. Performance is presented as both gross and net of fees quarterly. Performance results are compliant with Global Investment Performance Standards (GIPS).

Parks Capital's only investment strategies are those developed by Gina Griffo and Rajiv Dixit. They are the firm's two portfolio managers. This arrangement creates a conflict of interest in that portfolio managers could place their own or Parks Capital's interests before a client's interest. The potential conflicts and how they are addressed by Parks Capital's Code of Ethics is more fully described in the Additional Information section.

### **All-Cap Diversified Equity Growth Portfolio - A.K.A. 'Fusion'**

This strategy is designed for the investor who needs exposure to an all cap growth equity portfolio. The model fusion portfolio usually has a high beta performance and thus requires the investor to have a moderate to aggressive risk profile. Investors should have a minimum of 3-5 years of investment time horizon. This strategy involves a high turnover ratio which could lead to inefficient returns.

The Fusion portfolio investment strategy focuses on the macro and micro analysis of U.S. financial markets. The Fusion portfolio is available only on a discretionary account basis. The investment process in this portfolio can be best described as a two step process.

**Step 1: Macro Market Analysis** - In this step the adviser determines the macro direction of the equity markets in the United States. Only if the macro direction test is positive i.e. adviser believes the current market trend is moving upwards, the investment process moves to the next step. Otherwise all assets in the portfolio remain in money market funds until the above scenario is attained.

**Step 2 : Micro Market Analysis:** - Once it is determined that the overall market trend is positive, the adviser uses an advanced technical configuration to determine what would be the best possible investment opportunity available in the market at that given time. Such strategies are selected from a group of 3,000 - 4,000 pre selected U.S. equity securities. Careful

consideration is made towards reaching the goals of adequate diversification, liquidity and volume.

All investment decisions or judgments are made based on a 100% technical analysis strategy. At no point in time are personal judgment or fundamental views are employed. The technical strategies employed have been designed and back tested by the advisor and are proprietary.

**Investment Time Horizon :** 3 - 5 Years

**Risk Profile :** Moderate - Aggressive

**Tax Efficiency :** Low

### **Managed Balanced Portfolio**

This strategy is designed for the investor who has a long term objective in income and or growth. Client individual needs are analyzed. Each portfolio is custom designed to meet client individual investment objectives based on their financial profile. Investments are made either on discretionary or non-discretionary basis as elected by the client. Investments in this type of account include but are not limited to stocks, mutual funds, exchange traded funds, bonds, preferred stocks and certificate of deposits. The Adviser conducts periodic reviews to ensure goals of adequate diversification, liquidity and income are being achieved.

**Investment Time Horizon :** Based on individual needs

**Risk Profile :** Based on individual needs

**Tax Efficiency :** Based on individual needs

The Adviser reviews accounts for performance on a portfolio level monthly and reviews securities held in the portfolios weekly. Recommendations are documented and implemented by a principal of the firm. Suitability reviews are offered to clients on a Bi- Annual basis; Investment performance reports, provided by Pershing, are reviewed by the principals of the firm upon receipt and with the client periodically upon request.

Pershing, as clearing agent, has custody of the assets and transmits trade confirmations to the client, Excel Securities, and the Adviser for all transactions executed, monthly statements for each month in which there is activity, and statements of securities held in custody at least quarterly to clients. Pershing also provides clients with investment performance reports.”

The Adviser has full discretion over trading in client 'Fusion' accounts. For all other accounts the client may elect to have accounts managed on a discretionary or non-discretionary basis. Under the supervision of Excel Securities the Adviser's registered brokers may execute non-discretionary trades and receive commission based compensation through Excel Securities for brokerage accounts.

## Item 7 *Client* Information Provided to Portfolio Managers

Parks Capital tailors its advisory services to the individual needs of clients by reviewing a client's personal information, goals and risk tolerance before the client enrolls in any sponsored program. Parks Capital's Investment Management Agreement includes a disclosure statement and a suitability questionnaire that all potential clients are asked to complete. Clients may impose restrictions on investing in certain securities or types of securities as part of this initial review, and may impose restrictions on their accounts at any time. Clients are requested to inform Parks Capital of any changes in the information provided at account inception and to review this information at least annually in writing.

Parks Capital participates in Wrap Fee Programs by providing portfolio management services. Parks Capital manages wrap fee accounts in the same way as it does other client accounts. The fee schedule for management of wrap fee accounts is different. Parks Capital receives a portion of the wrap fee for its services. A full description of fee calculation and compensation appears previously on page 3.

## Item 8 Client Contact with Portfolio Managers

Portfolio managers are available during normal business hours and can be contact at 585-248-5700 or at [support@rpigllc.com](mailto:support@rpigllc.com).

## Item 9 Additional Information

Parks Capital has had no legal or disciplinary events to disclose that are material to a client's or prospective client's evaluation of the advisory business or the integrity of management.

Rajiv Dixit is the Chief Investment Officer of Parks Capital and as such manages investment strategy for the All Cap Diversified Equity Portfolio (Fusion) and The Managed Balanced Portfolio.

The Adviser does not engage in cross trading, principal trading, and or in accepting soft dollars arrangements.

The Adviser's policy is to consider the clients interest before personal interests. Employees of the Adviser may execute transactions in their personal accounts in the same securities that are being executed in client accounts as long as there is not a perceived or potential conflict of interest. The Adviser has adopted a Code of Ethics and Personal Trading Policy in compliance with Investment Advisers Act rule 204A-1. The Adviser requires all associated persons to adhere to the highest ethical standards; placing client interest before personal interest. The Adviser requires access persons to report initial and annual holdings reports, quarterly transaction reports, and to pre-clear transactions in IPO's and private placements. In addition, the Adviser has outlined the sanctions for failing to comply with the Adviser's Policies and Procedures. The Code of Ethics is available upon request.



Parks Capital has adopted the following procedures:

- Employees are to identify any personal investment account and any accounts in which the employee has beneficial interest, including any accounts for the immediate family and household member, upon hire, annually thereafter and upon opening or closing any account(s).
- Initial Holdings reports must be submitted to the CCO.
- Annual Holdings reports must be subsequently submitted to the CCO.
- Personal investments in initial public offerings and limited offerings by access persons will be required to be pre-cleared.
- Employees are only permitted to trade subsequent to client orders being fully completed and evidenced by a time-stamp (unless employees are trading through a block traded with client accounts).
- All personal transaction reports are delivered to the CCO within 10 days following the quarter end. If any person opens a new account or trades outside of the accounts previously disclosed to the CCO, the advisory person must report the account immediately to the CCO.
- All personal securities transactions are covered except transactions in direct obligations of the Government of the United States, broker's acceptances, bank certificates of deposit, commercial paper and high quality short-term debt instruments, or shares issued by non-proprietary registered open-end investment companies managed by another adviser.
- All supervised persons will be required to promptly report any violations of the adviser's code of ethics to the CCO.
- The review officer will review all employees' reports of personal securities transactions for compliance with the firm's policies, including the Insider Trading Policy, regulatory requirements and the firm's fiduciary duty to its clients, among other things.

The Adviser reviews accounts for performance on a portfolio level monthly and reviews securities held in the portfolios weekly. Recommendations are documented and implemented by a principal of the firm. Suitability reviews are offered to clients on a Bi- Annual basis; Investment performance reports, provided by Pershing, are reviewed by the principals of the firm upon receipt and with the client periodically upon request.

Pershing, as clearing agent, has custody of the assets and transmits trade confirmations to the client, Excel Securities, and the Adviser for all transactions executed, monthly statements for each month in which there is activity, and statements of securities held in custody at least quarterly to clients. Pershing also provides clients with investment performance reports.

The Adviser has full discretion over trading in client 'Fusion' accounts. For all other accounts the client may elect to have accounts managed on a discretionary or non-discretionary basis. Under the supervision of Excel Securities the Adviser's registered brokers may execute non-discretionary trades and receive commission based compensation through Excel Securities for brokerage accounts.

Parks Capital only accepts accounts when it is given specific trading authorization. The firm accepts certain limitations on such discretion, for example, investment restrictions or prohibitions as determined by individual clients. These limitations will be agreed upon at the

outset of the relationship and are subject to change, with notice from the client. The client is requested to verify or change any restrictions annually in writing. Client restrictions may include specific securities or sectors or maintenance of certain cash amounts. Clients are required to sign a Discretionary Investment Management Agreement authorizing Parks Capital to assume discretionary authority.

The Adviser may enter into arrangements from time to time and with clients whereby the Adviser agrees to reduce client fees when clients refer other clients to the Adviser. The advisory fee charged to the client is not affected by the use of a third party in connection with the client's account(s), and the client will not be assessed any additional fees for the use of such services by the Adviser. If the services of a third party are used in connection with the client's account, the structure of the arrangement and the compensation paid to the third party will be fully disclosed to the client pursuant to Rule 206(4) of the Investment Advisers Act of 1940.

Parks Capital does not have custody of client funds or securities, or require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance.

Advisor knows of no financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

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

#### Item 10 Requirements for State-Registered Advisers

Parks Capital and its management persons have no relationship or arrangement with any issuer of securities that is not previously listed in this brochure.