

**Brochure Supplement**  
(Part 2B of Form ADV)

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This Brochure Supplement provides information about Edward A. McDonough that supplements the McDonough Capital Management, Inc. (MCM) brochure. You should have received a copy of that brochure. Please contact Camie Nguyen if you did not receive MCM's brochure or if you have any questions about the contents of this supplement.

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

**May 2012**

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## EDUCATIONAL BACKGROUND and BUSINESS EXPERIENCE

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### **Edward A. McDonough, CFP®**

*Year of Birth:* 1959

*Formal Education:*

- Lehigh University, B.S., Mechanical Engineering, 1981.
- Lehigh University, M.B.A., Finance, 1984. Statistic TA.
- College of Financial Planning, CERTIFIED FINANCIAL PLANNER™, 1994.

*Business Background for the Past Twenty Five Years:*

- Smith Barney, Inc., Vice President/Registered Representative, 1987 to 04/1999.
- McDonough Capital Management, Inc., President/CCO, 04/1999 to Present.
- Raymond James Financial Services Inc., Registered Representative/Investment Adviser Representative, 04/1999 to 10/2011.
- Triad Advisors Inc., Registered Representative/Investment Adviser Representative, 10/2011 to Present.

*Licenses and Other Professional Designations:*

- Certified Financial Planner™.
- FINRA Series 7.
- FINRA Series 24
- FINRA Series 63.
- FINRA Series 65.
- Florida Insurance License.
- Virginia Insurance License.

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## Professional Designation Disclosure:

The CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the “CFP® marks”) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. (“CFP Board”).

The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification. It is recognized in the United States and a number of other countries for its (1) high standard of professional education; (2) stringent code of conduct and standards of practice; and (3) ethical requirements that govern professional engagements with clients. Currently, more than 62,000 individuals have obtained CFP® certification in the United States.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

- Education – Complete an advanced college-level course of study addressing the financial planning subject areas that CFP Board’s studies have determined as necessary for the competent and professional delivery of financial planning services, and attain a Bachelor’s Degree from a regionally accredited United States college or university (or its equivalent from a foreign university). CFP Board’s financial planning subject areas include insurance planning and risk management, employee benefits planning, investment planning, income tax planning, retirement planning, and estate planning;
- Examination – Pass the comprehensive CFP® Certification Examination. The examination, administered in 10 hours over a two-day period, includes case studies and client scenarios designed to test one’s ability to correctly diagnose financial planning issues and apply one’s knowledge of financial planning to real world circumstances;
- Experience – Complete at least three years of full-time financial planning-related experience (or the equivalent, measured as 2,000 hours per year); and
- Ethics – Agree to be bound by CFP Board’s Standards of Professional Conduct, a set of documents outlining the ethical and practice standards for CFP® professionals.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

- Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and
- Ethics – Renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board’s enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

## **DISCIPLINARY INFORMATION**

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Edward A. McDonough has no reportable disciplinary history.

## **OTHER BUSINESS ACTIVITIES**

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Edward A. McDonough, Chief Compliance Officer of McDonough Capital Management, Inc. (MCM), is also President of MCM. As a registered representative of Triad Advisors, Inc., Mr. McDonough will market securities services through MCM.

Additionally, Mr. McDonough is a licensed insurance agent through numerous insurance companies. In such capacity, he may offer insurance products, including, but not limited to, annuities, life, and long-term care products, and will receive additional compensation, in the form of commissions, on the sale of such products. This presents a conflict of interest to the extent that he recommends the purchase of an insurance product which results in a commission being paid to him as an insurance agent. He spends 5% of his time on these activities.

He may also receive 12b-1 distribution fees from investment companies (mutual funds) in connection with the placement of Clients' funds into investment companies in their capacity as registered representatives of Triad Advisors, Inc.

## **ADDITIONAL COMPENSATION**

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See item 4, above relative to the additional compensation Mr. McDonough could receive in his separate capacity as a registered representative of Triad Advisors, Inc.

As part of MCM fiduciary duty to Clients, the Firm and Mr. McDonough endeavor at all times to put the interests of its Clients first. However, Clients should be aware that the receipt of additional compensation creates a potential conflict of interest.

## **SUPERVISION**

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McDonough Capital Management has in place written supervisory procedures that are reasonably designed to detect and prevent violations of the securities laws, rules and regulations. Mr. McDonough is the Principal, Chief Compliance Officer, and sole advisory representative of MCM; therefore, supervision is not required. He is however bound by our firm's Code of Ethics.

## **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

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Edward A. McDonough has not been involved in an arbitration claim, civil proceeding, self-regulatory organization proceeding, administrative proceeding, or bankruptcy petition.