

# Minis & Company

## Part 2A of Form ADV

### The Brochure

25 Bull Street, Suite 502  
Savannah, GA 31401  
Phone: (912) 629-6644  
Fax: (912) 629-6655  
<http://www.minisinc.com>

January 31, 2014

This Brochure provides information about the qualifications and business practices of Minis & Company. If you have any questions about the contents of this Brochure, please contact us at (912) 629-6644 and/or [mark.allen@minisinc.com](mailto:mark.allen@minisinc.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.

Minis & Company is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain as an Adviser.

Additional information about Minis & Company is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

---

The following changes are being discussed because they have been deemed “material changes” from our prior Brochure, updated on April 1, 2013.

### **Acquisition of First Financial Holdings, Inc. and its affiliated subsidiaries**

On July 26, 2013, SCBT Financial Corporation (“SCBT”), holding company which owns SCBT and its subsidiaries, including Minis & Company purchased First Financial Holdings, Inc. (“FFCH”) and its subsidiaries. As a result, Minis & Company has additional affiliated entities, including First Federal Bank, American Pensions, First Southeast 401k Fiduciaries, Inc., First Southeast Investor Services, Inc., and First Southeast Reinsurance Company, Inc.

### **Change in Name of Holding Company**

As part of the merger with First Financial Holdings, Inc., SCBT Financial Corporation changed the name of the Holding Company from SCBT Financial Corporation to First Financial Holdings, Inc. The surviving stock is shares of SCBT common stock, and the surviving board of directors is the SCBT Financial Board of Directors. No changes in the operations or control of Minis & Company were made as a result of this name change.

### **Rounding of Client Fees**

Minis & Company will normally round client management fees up or down to the nearest whole dollar.

Currently, our Brochure may be requested by contacting Mark I. Allen, CFA, CFP, Chief Executive Officer, at (912) 629-6644 or via email at [mark.allen@minisinc.com](mailto:mark.allen@minisinc.com).

Additional information about Minis & Company is also available via the SEC’s web site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site also provides information about any persons affiliated with Minis & Company who are registered, or are required to be registered, as investment adviser representatives of Minis & Company.

### **Item 3 – Table of Contents**

---

Item 1 – Cover Page.....	i
Item 2 – Material Changes .....	ii
Item 3 – Table of Contents.....	iii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	2
Item 6 – Performance-Based Fees and Side-By-Side Management.....	3
Item 7 – Types of Clients.....	3
Item 8 – Methods of Analysis, Investment Strategies, and Risk of Loss .....	3
Item 9 – Disciplinary Information .....	5
Item 10 – Other Financial Industry Activities and Affiliations.....	5
Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading .....	6
Item 12 – Brokerage Practices .....	7
Item 13 – Review of Accounts.....	8
Item 14 – Client Referrals and Other Compensation.....	9
Item 15 – Custody .....	9
Item 16 – Investment Discretion.....	9
Item 17 – Voting Client Securities.....	9
Item 18 – Financial Information .....	10

## **Item 4 – Advisory Business**

---

### **Ownership**

Minis & Company began its current registration with the SEC in 2007 when it became a wholly owned subsidiary of The Savannah Bancorp, Inc. Prior to 2007, client assets were managed by a predecessor firm, Minis & Company, who traced its history back to 1932. In December 2012, Minis & Company was purchased by South Carolina Bank and Trust (“SCBT”) and now operates as a subsidiary of SCBT.

### **Services Provided**

Minis & Company provides investment advisory services, defined as providing regular and continuous management of client accounts tailored to the individual needs of each client. We typically meet with a prospective client several times to discuss his/her investment requirements. A written investment guideline is created at account inception and periodically reviewed with the client to ensure that Minis & Company is managing the account within the desired allocation of the client. Any restrictions that the client has on potential investments will be discussed and honored. Within the first year of becoming a client, a Portfolio Manager may meet with the client on a quarterly basis to review and discuss the portfolio. The frequency of subsequent meetings will be determined by the client.

### **Investment Philosophy**

Minis & Company’s investment philosophy is to balance the higher return potential available in stocks with the historical relative safety available in cash and fixed income investments. We select stocks based on their average growth prospect and selling price. Fixed income investments are used in an effort to ensure safety of principal while pursuing the best available yield. While we have accounts that are all equity and all fixed income, most of our accounts are balanced, meaning they contain cash and equivalents, fixed income securities, and equities. Portfolios are managed individually and no co-mingled.

### **Assets under Management**

As of December 31, 2013, Minis & Company had approximately \$529 million of discretionary assets under management for approximately 300 clients. Minis & Company has no non-discretionary assets under management.

## **Item 5 – Fees & Compensation**

---

### **Investment Advisory Fees**

Fees for our investment advisory services are based on the market value of a client's assets under management. Based on our approach, our fees will decline if the client's portfolio declines in value. Fees are calculated as follows:

<b>ASSETS</b>	<b>ANNUAL RATE</b>	<b>QTRLY RATE</b>
On first \$1,000,000	1.00%	0.2500%
Next \$2,000,000	0.75%	0.1875%
Next \$2,000,000	0.50%	0.1250%
Over \$5,000,000	0.40%	0.1000%

Minis & Company will negotiate fees in certain cases. Fees are payable quarterly and in advance. A minimum fee of \$1,250 per quarter may apply. The client may choose to have fees deducted from his/her account, or may be billed to pay the fees directly. Fees are normally rounded up or down to the nearest whole dollar. The client may terminate the investment advisory contract within five business days of opening an account. Upon termination, the client is entitled to receive a pro-rata refund of prepaid fees.

### **Additional Fees**

Clients may choose to place their assets at either a brokerage firm or bank trust department. Clients placing assets at a brokerage firm may pay additional fees as disclosed by the brokerage firm. Should the client direct us to use a particular broker, the commissions paid by the client may be higher than other alternatives. Please review Item 12 of this brochure regarding our Brokerage Practices.

To address the conflict of interest arising from our affiliation with SCBT, Minis & Company's Portfolio Managers do not purchase or sell SCBT stock within client accounts unless directed by the client to do so. No investment advisory fees are charged on any SCBT transactions or shares that may be held by a client in his/her account.

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

---

Performance-based fees are based on a share of capital gains on, or capital appreciation of, the assets held within a client account. Minis & Company does not assess any performance-based fees on client accounts.

Side-by-side management refers to the management of performance and non-performance-based fee accounts. Since Minis & Company does not have any performance-based fee accounts, this does not apply.

## **Item 7 – Types of Clients**

---

Minis & Company provides investment advisory services to the following types of clients:

- Individuals;
- High Net Worth Individuals;
- Trusts;
- Companies (Agencies, Corporate Pension and Profit Sharing Plans);
- Partnerships / Business Associations;
- Charitable Institutions;
- Hospitals / Museums / Churches / Schools / Universities;
- Foundations / Endowments;
- Government Entities; and
- Labor Unions.

There are no minimum requirements to open or maintain an account.

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

---

### **Investment Strategy**

We use a team structure to establish and implement the investment oversight for Minis & Company. In general, our investment philosophy balances the higher return potential available in stocks with the relative historical safety available in cash and fixed income investments. We select stocks based on their average growth prospect and selling price. Investments of fixed income are selected in an effort to ensure safety of principal while pursuing the best available yield.

There is no guarantee that a particular strategy will meet its investment goals. Additionally, the investment strategies and techniques Minis & Company uses within a given strategy may vary over time depending on various factors. Minis & Company may give advice and take action for clients which differs from advice given, or the timing or nature, of action taken for other clients with different objectives.

### **Investment Process**

Minis & Company generally manages accounts with full investment discretion. However, clients may place reasonable restrictions on the management of their accounts. Clients may also direct Minis & Company to sell, or avoid selling, particular securities for the purpose of realizing a capital loss or avoiding a capital gain.

In the selection of individual securities for a client's portfolio, primary emphasis is placed upon liquidity, quality, and growth. We invest solely in securities traded on U.S. exchanges, unless directed to do otherwise by a client.

### ***Stocks***

Stocks are selected if we believe that they have the potential for above average total return over a one to two year time horizon. Total return is comprised of capital change plus dividend income. Liquidity and quality are stressed here as well, with quality being measured by analyzing financial strength, growth and stability of profits, and management competence. Once a stock achieves its potential return, at least a portion is often sold. On the downside, rather than adding to a declining position, the entire position is often sold. The risks associated with investments in stocks include the possibility of capital loss, as well as the possibility that earnings, sales and dividends may not meet expectations. Markets tend to move in cycles, with periods of rising prices and periods of falling prices. By focusing on a longer term investment horizon, we try to keep trading and transaction costs as low as possible.

### ***Fixed Income & Cash Equivalents***

For cash and equivalents, we use money market funds and U.S. Treasury Bills. When investing in the fixed income market, U.S. Treasury Notes and Bonds and, if appropriate, investment-grade municipals are acquired. Additionally, we will purchase Federal Agency or high quality corporate bonds and FDIC insured Certificates of Deposit.

The risks associated with investments in bonds include the possibility of capital loss, particularly prior to maturity, as well as changes in interest rates, inflation rates, credit rating, and the shape of the yield curve adversely impacting the bonds owned in an account.

### **Methods of Analysis**

Our investment committee uses various sources of information to perform investment analysis' on a regular basis, for example:

- Internal and external research materials;
- Financial newspapers and magazines;
- Company websites;
- Rating agency reports;
- Annual reports and SEC filings; and
- Press Releases.

The results of our analysis provides a mechanism for Portfolio Managers to use in formulating investment advice or managing assets.

**Risk of Loss**

Investing in securities, both equity and fixed income, involves risk, which includes the possibility that your account could go down in value. Portfolio Managers meet with clients at account opening, and as requested thereafter, to determine the client's risk tolerance and return objectives. At that time we thoroughly explain that there can never be a guarantee that the risk of loss can be avoided.

**Item 9 – Disciplinary Information**

---

We are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Minis & Company or the integrity of Minis & Company's management. Minis & Company does not have any legal or disciplinary events to report related to past or present activities.

**Item 10 – Other Financial Industry Activities and Affiliations**

---

Minis & Company is a division of SCBT, a South Carolina banking corporation and wholly owned subsidiary of First Financial Holdings, Inc. First Financial Holdings, Inc. is based in Columbia, SC, and is a registered bank holding company incorporated under the laws of South Carolina. The Company consists of SCBT, the largest publicly traded bank headquartered in South Carolina; NCBT, a division of SCBT based in North Carolina, Community Bank & Trust, a division of SCBT based in north Georgia; The Savannah Bank, a division of SCBT based in the coastal Georgia region, First Federal Bank, a division of SCBT based primarily in the coastal South Carolina region, American Pensions, a division of SCBT that provides pension consulting services, First Southeast 401k Fiduciaries, Inc., a wholly owned Registered Investment Advisory subsidiary of SCBT, First Southeast Investor Services, Inc., a wholly owned Broker/Dealer subsidiary of SCBT, and First Southeast Reinsurance Company, Inc., a wholly owned mortgage reinsurance subsidiary of SCBT. More information on SCBT can be found at [www.SCBTonline.com](http://www.SCBTonline.com).

The management of Minis & Company reports to employees of the SCBT Wealth Management Group who are simultaneously registered as associated persons of LPL Financial, a registered broker/dealer. The SCBT employees that are so registered are not involved in the selection of securities, nor in any discussions with clients related to selection of third-party custodians and broker-dealers. Should a client choose to use a registered representative employed by SCBT, and affiliated with one of its broker/dealers, Minis & Company would ensure that the client receives disclosure of the conflict of interest involved in the relationship. Currently, there are no Minis & Company clients utilizing affiliated broker/dealers. Minis & Company does not pay affiliated brokers compensation for soliciting clients to use Minis & Company, nor are they paid indirectly for any solicitation of Minis & Company. Minis & Company and its associated persons are not compensated for directing clients to affiliated brokers.



SCBT's Trust Department may be hired jointly with Minis & Company to serve as a custodian and/or trustee of client assets. Joint contracts disclose the relationship to the client.

To avoid a conflict of interest, Minis & Company advisors do not purchase or sell SCBT stock within client accounts unless directed to do so by the client. No investment advisory fee is charged on any SCBT shares that may be held by a client in their account.

## **Item 11 – Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading**

---

### **Code of Ethics**

Minis & Company has adopted a written Code of Ethics that sets forth our high standard of business conduct and reinforces the need for objectivity and reasonableness to carry out fiduciary duty to our clients. The Code of Ethics informs employees of the restrictions on the acceptance or giving of material gifts, making charitable or political contributions, prohibitions on insider trading, maintaining the confidentiality of client information, and procedures for employee securities trading, among others. A copy of the Code of Ethics is available to any client or prospective client upon request.

### **Participation or Interest in Client Transactions**

Minis & Company advisors do not act in a principal capacity on client accounts, or sell securities to clients. Cross trades between client accounts or client and a supervised person's account are strictly prohibited.

Minis & Company does not recommend the purchase or sale of its parent company's stock, First Financial Holdings, Inc. (SCBT).

### **Personal Trading**

Minis & Company "access persons" may, on occasion, buy or sell securities for themselves that Minis & Company recommends or buys/sells for their client portfolios. "Access persons" are defined as employees, directors, officers, or partners of Minis & Company. Access persons with prior knowledge of a client transaction (e.g. Minis & Company Portfolio Managers intend to place a similar trade in client accounts) may not buy or sell securities for their own account until transactions for securities in client accounts are completed. Investing in "hot" IPO transactions is strictly prohibited. Access persons are required to disclose all personal transactions to the Chief Compliance Officer on a quarterly and annual basis for verification of compliance with this provision.

## **Item 12 – Brokerage Practices**

---

### **Broker Selection/Recommendations**

Minis & Company has a duty to act in the best interests of its clients by obtaining “best execution,” or to execute security transactions in a way to ensure the client’s total costs or proceeds in each transaction are the most favorable under the circumstances. Brokers are selected to conduct securities transactions, and a quarterly evaluation is performed by the Minis & Company CEO regarding the overall reasonableness of brokerage commissions paid. The client may pay a broker or brokerage commission in excess of what another broker might have charged for the same transaction in recognition of the value of the brokerage services provided (e.g. custodian, consulting services). If an instance is identified in which a client’s broker charges a much higher commission than other brokers available to the client, Minis & Company will notify the client of the lower commission options available to them.

Due to differences in the ability of Minis & Company to negotiate similar discounts for individuals based on differences in their relationships with particular brokerage firms (account sizes, client/broker relationships, brokerage firm discount policy, etc.), clients may receive different commission rates.

### **Soft Dollars**

Minis & Company may place equity and fixed income trades through brokers that offer soft dollar benefits to it and/or its corporate affiliates. Those benefits are solely related to research or brokerage services as defined under Section 28(e) of the Securities and Exchange Act of 1934.

### **Brokerage for Client Referrals**

While there is an inherent conflict of interest in the relationship between investment advisors, consultants, and broker firms relating to the referral of business, Minis & Company minimizes these conflicts whenever possible. Minis & Company does not pay or receive a fee or commission of any kind from any broker or consultant. Additionally, we do not agree to direct any transaction to a brokerage firm for execution, nor any service to a consultant, based upon anything other than the firm’s ability to service our clients’ accounts. Minis & Company does not differentiate between referred and non-referred clients when negotiating commissions with brokerage firms.

### **Directed Brokerage**

Our clients can direct account transactions and brokerage commissions to a particular broker/brokerage firm. When a client directs Minis & Company to use a particular broker or dealer, the client, and not Minis & Company, is responsible for negotiating commissions and Minis & Company may or may not be able to obtain volume discounts or best execution for the account on each transaction. In other words, directing brokerage may cost you more money. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and clients whose accounts are not so directed.

If a client does not direct us to use a particular broker-dealer, Minis & Company may recommend one or more discount brokerage options.

### **Trade Aggregation (Bunching)**

When possible, Minis & Company attempts to execute similar trades in “block” transactions. However, due to the wide range of different brokers used, and each brokerage firm’s minimum “block” order size, this is not always possible. Prior to placing a “block” transaction, accounts deemed suitable for the order are outlined on an allocation statement to identify how the aggregated order will be allotted. If the aggregated order is filled in its entirety, it shall be allocated among the accounts in accordance with the allocation statement. If the order is only partially filled, it shall be allocated pro rata based on the allocation statement/spreadsheet. Each account participating in the aggregate order will receive the average share price. Transaction costs will be assigned based upon the account’s commission schedule.

## **Item 13 – Review of Accounts**

---

### **Client Account Reviews**

Client accounts are monitored on an ongoing basis by the Portfolio Managers to ensure clients remain within their established investment objectives. A more formal review may be triggered by decisions to buy or sell particular securities, if a client changes his/her investment objectives, or if the market, political, or economic environment changes materially.

On an annual basis, Portfolio Managers are required to formally review client investment objectives against the actual allocations and investment holdings within their clients’ portfolios. The reviews also address account distribution and structure in view of the firm’s current investment strategy. The results of the formal review are reviewed by the Compliance Committee and Chief Compliance Officer to ensure accounts outside of their established objectives are properly addressed.

### **Investment Professionals**

The following individuals are responsible for performing client account reviews:

- Mark Irvin Allen, Chief Executive Officer / Chartered Financial Analyst (CFA) and Certified Financial Planner (CFP)
- A. “Felton” Jenkins III, Senior Vice President and Portfolio Manager / Chartered Financial Analyst (CFA)

### **Client Reporting**

All clients receive, at least quarterly, a written statement/appraisal of their account. The statement presents a portfolio summary by cash and equivalents, fixed income, and equities. Each individual security is listed with the original cost and current market value, estimated annual income, and current yield. At the end of the fiscal year, each client receives a statement of realized gains and losses. Statements are available on a monthly basis upon request from the client. Periodically, a client may select to meet with their Portfolio Manager in person and will receive a written statement during the meeting.

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

---

Minis & Company is solely compensated through fees paid by clients to whom we provide investment advice and advisory services.

## **Item 15 – Custody**

---

Minis & Company may be given the authority to deduct advisory fees in certain client accounts. In this limited context, Minis & Company is deemed to have custody. Additionally, the Trust Department of SCBT, our parent company, may act as custodian for accounts managed by Minis & Company; therefore resulting in Minis & Company's indirect custody of assets.

Due to our affiliation with SCBT, Minis & Company is subject to a surprise custody examination by an independent accounting firm each year to ensure that the information we report matches the information maintained by the custodian. The Trust Department of SCBT is required to undergo an internal control review by an independent accounting firm to verify operating effectiveness.

Clients should receive a statement from the broker dealer, bank, or other qualified custodian maintaining their assets on at least a quarterly basis. Minis & Company urges clients to carefully review such statements and compare the official custodial records to the account statements that we provide you.

## **Item 16 – Investment Discretion**

---

All new clients give Minis & Company a limited power of attorney (discretionary investment authority) over their assets. Minis & Company Portfolio Managers manage the portfolios and do not select other investment advisors to assist in managing client accounts.

Clients may, either at the inception of the account or at any point thereafter, place restrictions on the securities in which we are allowed to invest. Those restrictions should be made in writing either in an investment policy statement, in the investment guidelines, or in other written communication from the client. Various securities and/or tax laws, as well as internal compliance policies, may impose additional restrictions on the investments that may be made.

## **Item 17 – Voting Client Securities**

---

At account origination, all clients are required to select whether Minis & Company will be responsible for proxy voting or if the client wishes to retain that right. If you opt to vote your

own proxies, all proxy materials will be delivered directly to you by the custodian or transfer agent, not Minis & Company. All proxies that Minis & Company is responsible for voting will be voted in accordance with Minis & Company's Proxy Voting Policy, a copy of which is available upon request. Minis & Company contracts with a widely-used and reputable third-party firm to vote client shares in conformity with that firm's recommendations. This firm is not affiliated with Minis & Company, and remains independent by making recommendations based on its own internal guidelines. Minis & Company may vote client shares inconsistent with this firm if it believes it is in our client's best interest.

As a matter of policy, we maintain detailed records of all client proxy votes. Clients may obtain information about how Minis & Company voted any proxies on their behalf by submitting a written request to Minis & Company.

Conflicts of interest between the interests of Minis & Company and those of its clients are identified prior to proxy voting by the Chief Executive Officer and reported to the Compliance Committee. For example, if a client serves as an executive with a publicly traded company, and other clients hold securities issued by the company, the situation would be deemed a conflict of interest. All conflicts of interest that are identified are disclosed to the clients affected, and client consent will be obtained prior to voting.

Minis & Company does not vote proxies for holdings of our parent company, SCBT.

## **Item 18 – Financial Information**

---

Minis & Company has not identified any financial condition that is reasonably likely to impair its ability to meet contractual and fiduciary commitments to clients, nor has it ever filed for bankruptcy or been the subject of a bankruptcy petition.