



Form ADV Part 2 Brochure

Sequent Asset Management, LLC

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This Brochure provides information about the qualifications and business practices of Sequent Asset Management, LLC. If you have any questions about the contents of this Brochure, please contact us at 713-467-0008. 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 Sequent Asset Management, LLC also is available on the SEC's Website at www.adviserinfo.sec.gov. The searchable IARD/CRD number for Sequent Asset Management, LLC is 148194.

Sequent Asset Management, LLC is a Registered Investment Adviser. Registration of an investment adviser does not imply any level of skill or training.

Brochure prepared on September 30, 2011

Material Changes

On July 28, 2010, the United State Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure document that we provide to clients as required by SEC Rules. This Brochure dated September 30, 2011 is a new document prepared according to the SEC’s new requirements and rules. As such, this document is materially different in structure and requires certain new information that our previous brochure did not require.

In the future, this Brochure will discuss only specific material changes that are made to the brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any materials changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary and provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Other than the new format and requirements related to the use of the new version of the Form ADV Part 2A, the Firm has experienced no material changes since the last update on January 13, 2011.

Currently, our Brochure may be requested by contacting Scott Gaille, Chief Compliance Officer, at 713-467-0008 or sgaille@sequentasset.com. Our Brochure is also available on our Web site www.sequentasset.com, free of charge.

Additional information about Sequent Asset Management, LLC is also available via the SEC’s Web site www.adviserinfo.sec.gov. The SEC’s Web site also provides information about any persons affiliated with the firm who are registered, or are required to be registered, as investment adviser representatives.

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Advisory Business

Many wealth management and investment firms offer unique benefits. For some it is the credentials of their professional staff. For others, it is their internal processes and financial disciplines. And for others still, it is their proprietary service or product offerings. While these claims make some firms unique, to us they miss the mark.

At Sequent, we offer a unique approach – the focused experience we have in working with families and their businesses. As a comprehensive multi-family office, we specialize in helping families who have, had or will have their own business. Be it a multi-generational family owning and running a closely held business or a high ranking corporate executive of a publicly traded or privately held company or a professional with their own practice; our differentiation is not in what we do, but rather what our clients do and how we help them do it better. We specialize in helping families at those key financial crossroads in life, such as births, deaths or divorces, starting a business, retirement, selling a business, etc.

Investment advisory and personal and business financial consulting services are provided to high net worth families, trusts, estates and charitable organizations and corporations or other business entities. Investment advice, financial counseling and comprehensive portfolio management services are provided on a continuing basis. The Firm has provided these services since 2008.

Most firms focus on ways to have clients fit into certain asset allocation and planning strategies with consistent holdings and entities that enable the broker or team to serve a massive number of clients and accounts. At Sequent, we do not have blanket asset allocation strategies or boilerplate personal financial or trust/estate templates. For each client family, we review their unique goals and hopes, their specific concerns and risks and their assets and earnings, and from this personal data, an allocation strategy and a personal financial plan is custom designed, recommended and implemented. For most families, we provide a holistic service approach that includes:

(1) Family Office Investment Management

Sequent Asset's family office investment management services includes review, analysis, and recommendations combined with the ongoing management for a family's accumulating wealth in any type of account (personal, trust, retirement, charitable, etc.) to include asset allocation determination (by account and overall) and tactical adjustments to specific investment holdings

over time in keeping with lifestyle changes and prevailing or anticipated economic and market conditions. Sequent Asset's family office management services include review, analysis, and recommendations across the seven key areas of a family's personal financial situation: (1) Balance Sheet; assets and debts (2) Cash Flow; income and expenses, (3) Accumulation; savings for retirement, college funding, etc., (4) Insurance, (5) Tax; income, capital gains, business, gift and estate, (6) Estate & Gifting, and (7) Business/Succession.

(2) Financial Counseling

Sequent Asset provides financial counseling services on a stand-alone basis, which includes review, analysis and planning recommendations provided across any or all of the seven key areas noted above.

(3) Portfolio Consulting and Fiduciary Coordination Services

Sequent Asset provides portfolio consulting services, including:

1. Determination of an asset allocation posture (from recommendations made by Sequent Asset) that coincides with beneficiary and ongoing business cash flow needs as well as possible cash/liquidity sources (distributions, re-financings and sales) for business ventures;
2. Review, determination and approval (based on recommendations made by Sequent Asset) for changes in specific money managers;
3. Summarizing on a quarterly basis views for prevailing market, economic and political conditions that affect overall investments with observations and detailed review summaries provided on each money manager and their actions and results for the previous quarter (and rolling periods backwards);
4. Presentation of investment detail as to asset allocation, holdings and manager mix;
5. Recommendations for changes in asset allocation policy overall based on their views and collectively those of money managers being utilized;
6. Initial review and recommendation of all money managers as to their asset class, performance and appropriateness;

7. Recommendations based on actions and/or results for any changes in money managers (additions, deletions or replacements); and
8. Ongoing coordination and liaison services to facilitate distribution requests, tax matters and beneficiary needs.

An Overview of the Firm

Sequent was formed in 2008 as a multi-family office and professional investment management firm dedicated to serving a select number of client families and their needs. Sequent Asset is directly owned by MadsenWaters, LLC, Hartzell, LLC and Gaille Sequent Partners, LLC. David Doll, Tim Hartzell and Scott Gaille are Managing Members of the limited liability companies. As partners, we decided early on that what we were seeking to create was a *boutique* firm, a firm focused on serving highly ranking corporate executives, professionals and families that have, had or will have a closely-held business. Having spent time at large organizations, we were well aware of the distractions that come with managing large staffs of people along with overseeing the company itself.

We decided to be selective and limit the number of families we work with, ensuring for our client families that our differentiation would truly be not what we do, but rather what our clients do and how we help them to do it better. We strive to provide client comfort and trust by being more intimate, and more connected with each family, avoiding the normal dilution that occurs as a firm/individual grows in clients and accounts. We travel extensively to know and be a part of our clients' lives, working with over thirty families in over a dozen states and several countries. For a boutique firm, Sequent partners have considerable international experience in helping families and executives with investment and business activities from the US to Europe, Latin America and the Far East.

Why Sequent?

Quite simply, our experience and commitment focuses on serving families that have, had or will have their own business. Forged through decades of working exclusively with closely held business owners and high ranking corporate executives, we have a unique body of knowledge and deployable skill sets in the areas that most impact the accumulation and transfer of wealth for family business owners and high ranking corporate executives. As a comprehensive multi-family office, we dedicate ourselves to providing custom tailored and client specific solutions for our

families. We help families to focus on maximizing and balancing personal and corporate investments and developing replacement cash flow and liquidity. Additionally, we help coordinate business leadership transitions along with wealth transfers from one generation to the next, and optimizing financial decisions to mitigate the impact of current and future taxation on a family's wealth.

Sequent partners are involved with each client, providing the wealth of our multi-disciplinary talents across each family's needs. We keep administrative costs and distractions to a minimum by being selective in the type and number of client families we serve. This allows us to spend more time focusing our attention on our clients' financial affairs. Our services are much broader than financial planning, investments, and fiduciary consulting. We seek to serve as a family's *personal chief financial officer* to both recommend and coordinate matters important to them. We utilize a proven process honed over time that focuses on cash flow as the bedrock element in long-term financial success and comfort for each family.

As a true fee-only family office firm, the only revenue earned by our firm is fees paid to us by our client families.

Assets under Management

Our assets under management, as of December 31, 2010 is \$244,302,547 on a discretionary basis and \$145,852,745 on a non-discretionary basis for a total of \$390 million (approximate).

Key Personnel

Sequent Asset is overseen by a team of its most senior members and largest shareholders. Our Management Team consists of:

- **David M. Doll**, *Managing Director & Chief Executive Officer*

David is a Managing Director and the CEO of Sequent. His primary responsibilities relate to the coordination and management of client family financial affairs. Prior to his founding of Sequent in 2008, David was with Kanaly Trust Company for nearly twenty years, where he rose to become the firm's President and CEO for five years as well as heading both its investment and trust committees. He also was a Regional Manager for Boatmen's Trust Company of Texas, and before that, a Management Consultant for KPMG Peat Marwick. David holds both undergraduate and graduate business degrees from the University of Houston with concentrations in finance and tax, respectively. David is an honors graduate

from the National Graduate Trust School at Northwestern University in Chicago, Illinois where he earned the Certified Trust and Financial Advisor designation.

David has been quoted in the *Wall Street Journal*, *Forbes*, the *Houston Chronicle* and *Houston Business Journal* and other newspapers and magazines and he is a frequent guest on CNBC and Bloomberg Television. His specific area of expertise is his knowledge and experience working with families who have operating businesses in the US and overseas as well as with corporate executives leading significant public and private companies. He is recognized and called on as an expert in the areas of succession planning and strategic leadership within family businesses along with taxation and trust and estate matters where he has been called on to provide expert witness testimony and support in complex fiduciary litigation.

- **Tim S. Hartzell**, *Managing Director & Chief Investment Officer*

Tim is a Managing Director and the Chief Investment Officer of Sequent. Tim is responsible for the review and formation of investment policy and asset allocation strategies for client families at Sequent, leading the firm's Investment Committee and overseeing all asset management functions. Previously, he served as a principal with Legacy Asset Management, helping to oversee the asset allocation strategy and investment process. Tim was also a managing director with Wells Capital Management and the Chief Investment Officer of Kanaly Trust Company. Tim has nearly thirty years experience in investment management and he currently serves on the Financial Industry Regulatory Authority (FINRA) Arbitration Board.

Tim graduated from Mount Union College in Alliance, Ohio earning bachelor's degrees in both Economics and Business Administration. He also holds a Master of Science in Banking and Financial Services Management from Boston University. Tim is a Chartered Financial Analyst CFA® and also is a graduate of the American Bankers Association's National Graduate Trust School at Northwestern University in Chicago, Illinois. Tim has appeared on CNBC and Bloomberg Television and frequently provides economic and market commentary for Bloomberg Radio. He has been quoted in the *New York Times* and *Smart Money*, and by *Bloomberg* and *Reuters* news services

- **S. Scott Gaille**, *Managing Director & General Counsel*

Scott is a Managing Director and General Counsel of Sequent. Scott is responsible for overseeing and managing certain legal and regulatory matters affecting Sequent and its client families. Scott is also an Adjunct Professor of Management at Rice University's Jesse H. Jones Graduate School of Business. Previously, Scott held various positions of increasing responsibility with Occidental Oil & Gas Corporation's legal and commercial departments, most recently Director - Business Development. Since August, 2007, Mr. Gaille also has been President of The Gaille Group, through which he provides services in the areas of petroleum exploration, development and production and international business development. In this capacity, he holds executive positions and equity ownership in certain petroleum companies and international businesses (see, also, www.gaillegroup.com). Scott also

practiced law with Vinson & Elkins L.L.P. and he worked with the Honorable J. Harvie Wilkinson, III, Chief Judge of the United States Court of Appeals for the 4th Circuit.

Scott was an Olin Fellow in Law and Economics at the University of Chicago, where he received his Doctor of Law Degree with High Honors. Scott earned an undergraduate degree in Government at the University of Texas at Austin. Scott is the author of two books and has contributed to numerous publications such as *Texas Lawyer* and *Energy Law Journal*. At the University of Chicago, he was elected to Order of the Coif and to *The University of Chicago Law Review*, and also served as Executive Editor of the *Harvard Journal of Law & Public Policy* (Vol. 18, No. 2).

Fees and Compensation

(1) Family Office Investment Management Services

Sequent Asset's family office investment management services fee is based on the investable assets under management utilizing the following schedule:

Assets Under Management	Annualized Fee Applicable to Each Tier of Assets Under Management
Up to \$1,000,000	0.80%
\$1,000,001 to \$3,000,000	0.75%
\$3,000,001 to \$5,000,000	0.70%
\$5,000,001 to \$10,000,000	0.60%
\$10,000,001 to \$20,000,000	0.50%
Over \$20,000,000	Negotiated Fee

Notwithstanding the above, all advisory fees are negotiable.

Fees are calculated for each tier by multiplying the assets under management in such tier by the relevant annual percentage rate and then allocating the percentage of the fee attributable to the quarter based upon the actual number of days in the quarter. The fees attributable to each tier are then summed to determine the total fee for the quarter. Fees are normally payable quarterly in advance. Such fees may be deducted from client's account(s) quarterly within thirty (30) days following the beginning of the quarter for which said fees will be incurred, or such later date as the calculation of the fee for such period may require. Fees for the initial period may be adjusted pro-

rata based upon the number of calendar days in the calendar quarter when the Agreement goes into effect. We maintain a Limited Power of Attorney for all discretionary accounts for the purposes of directing and or otherwise effecting investments on behalf of the managed account, for the direct payment of our fees and or the payment of commissions, custodial fees and or other charges incurred by the managed account.

To the extent mutual funds are selected to fill components of the overall investment strategy, the annual advisory fee set forth above does not include the customary fees and expenses associated with investing in mutual funds or other costs of establishing and maintaining an account with a mutual fund company including Rule 12b-1 fees and expenses. The client is advised that, in addition to the annual advisory fee set forth above, each mutual fund in which assets are invested will incur separate investment advisory fees and other expenses for which client will bear a proportionate share. Again, Sequent Asset is a fee-only firm and does not receive compensation directly or indirectly from mutual fund companies.

(2) Financial Counseling

Our Financial Counseling Services are provided on a project basis for a fee quoted in advance. The typical fee range is \$1,000 and \$25,000 depending on the complexity of the situation, areas to be covered and needs/goals of the client. An initial review, provided at no cost, is required so that Sequent Asset can provide a written proposal as to the services, expectations and fees a client should expect.

(3) Portfolio Consulting and Fiduciary Coordination Services

Sequent Asset will provide non-discretionary portfolio consulting and fiduciary coordination services for a negotiated fee, which is usually based upon a percentage of the client's assets for which consultation is provided. In addition, our clients will be responsible for other charges that may apply to the management of their account or custody of their assets. Additional charges may be levied for services that include the following: Investment Management Services of External Investment Advisers; Operational Fees (including mutual funds expenses); Transaction Fees (commissions); and Clearing and Custodial Fees. Our fee for ongoing non-discretionary consulting services is negotiable, depending on the size and complexity of the relationship and other variables.

Fee Payment Options

As indicated in our advisory agreement with you, there are two (2) options you may select to pay for our services:

- **Direct debiting (preferred):** We will notify your custodian of the amount of the fee due and payable to us through our fee schedule and contract. The custodian does not validate or check our fee, its calculation, or the assets on which the fee is based. They will “deduct” the fee from your account(s) or, if you have more than one account, the fee will be deducted from the account you have designated to pay our advisory fees. Each month, you will receive a statement directly from your custodian showing all transactions, positions and credits / debits into or from your account, and such statements will reflect these transactions, including the advisory fee paid by you to us as applicable.
- **Pay-by-check:** At the inception of the account and each quarter thereafter, we issue you an invoice for our services and you pay us by check or wire transfer within fifteen (15) days of the date of the invoice.

Additional Fees and Expenses

Advisory fees payable to us do not include all the fees you will pay when we purchase or sell securities for your account(s). The following list of fees or expenses are what you pay directly to third parties, whether a security is being purchased, sold or held in your account(s) under our management. The fees charged are set by the broker/dealer / custodian.

We do not receive, directly or indirectly any of these fees that may be charged to you. They are paid to your broker, custodian or the mutual fund or other investment you hold. The fees include:

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), Exchange Traded Funds (ETFs);
- Advisory fees charged by sub-advisers (if any are used for your account);
- Custodial Fees;

- Deferred sales charges (on MFs or annuities);
- Odd-Lot differentials;
- Deferred sales charges (charged by MFs);
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions; and
- Other costs that may be incurred.

In addition, we do not have or employ any “Employee” that receives (directly or indirectly) any compensation from the sale of securities or investments that are purchased or sold for your account or to which we provide consulting expertise / services. As a result, we are a “fee only” investment adviser. Other than our fees set forth above, we do not receive any other compensation from you or your assets that we manage.

Termination

The relationship may be terminated by either party upon 30 days written notice. If fees are paid in arrears, a final fee will be charged which will be prorated according to the number of days for which we provided our investment advisory services during the current quarter. In the event of the termination of our services, any unearned portion of fees previously paid in advance is prorated and fully refundable.

Performance-Based Fees and Side-By-Side Management

Sequent Asset does not earn any performance-based fees.

Types of Clients

We provide our services to a number of clients:

- Individuals, including closely held business owners, senior corporate executives and retirees;
- Trusts, estates and charitable organizations; and
- Corporations or other business entities.

Minimum Account Size

We do not have a stated minimum account size, but the typical family relationships we work with entail overall account(s) well in excess of \$1,000,000. In addition, we reserve the right to refuse to accept proposed management responsibilities or to resign from the management of any individual account.

Methods of Analysis, Investment Strategies and Risk of Loss

Analysis

As a comprehensive multi-family office, we dedicate ourselves to providing custom tailored and client specific solutions for our families. We help families to focus on maximizing and balancing personal and corporate investments and developing replacement cash flow and liquidity. This individualized approach entails both a “bottoms up” approach to understanding a family’s financial situation and risk tolerances, and a “top down” approach of assessing investment alternatives. The investment assessment starts with the investment environment – demographics, technological, political and geopolitical factors – and progresses into analysis of investment types and securities.

Risk of Loss

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized (the securities are not sold to “lock in” the profit). Stock markets, bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, performance of any investment is not guaranteed. As a result, there is a risk of loss of the assets we manage that may be out of our control. We will do our very best in the management of your assets; however, we cannot guarantee any level of performance or that you will not experience a loss of your account assets. Investing in securities involves risk of loss that clients should be prepared to bear.

Our Investment Strategies

We offer several investment strategies to you and in doing so may invest in a wide range of securities and other financial instruments including:

- Equity securities;
- Exchange-listed securities;

- Over-the-counter securities;
- Securities of foreign issuers (including ADRs, EDRs and GDRs);
- Warrants and Rights;
- Restricted shares;
- Local access products;
- Options contracts;
- Futures and Options on Futures Contracts;
- Corporate debt;
- Commercial paper;
- Certificates of deposit;
- United States government securities;
- Municipal securities;
- Investment company securities including variable life insurance products;
- Variable annuities and mutual funds;
- Interests in partnerships investing in real estate, oil and gas interests;
- Swaps;
- Forward contracts;
- Cap and Floor options;
- Interest and principal only strips;
- Structured notes;
- Listed and over the counter derivatives;
- Mortgage related and other asset backed securities;
- Bank loans;
- Collateralized debt and mortgage obligations;
- Foreign currency forward agreements;
- Repurchase and reverse repurchase agreements; and
- Private placements.

As financial markets and products evolve, we may invest in other instruments or securities, whether currently existing or developed in the future, when consistent with client guidelines, objectives and policies.

Security Analysis

Our security analysis methods include both fundamental and technical analysis.

Sources of Information

In conducting security analysis, we utilize a broad spectrum of information, including financial publications, third-party research materials, annual reports, prospectuses, regulatory filings, company press releases, and corporate rating services.

Disciplinary Information

We are obligated to disclose any disciplinary event that would be material to you when evaluating us to initiate a client / adviser relationship or to continue a client /adviser relationship with us. Neither Sequent Asset nor any of its Management Team or employees have any legal, financial or other disciplinary item(s) to report.

Other Financial Industry Activities and Affiliations

Neither Sequent Asset nor any of its Supervised Persons are affiliated with any other Investment Adviser or Broker/dealer. Neither Sequent Asset nor any of its Supervised Persons have any relationships or arrangements that are material to Sequent Asset's advisory business.

Code of Ethics, Participation in Client Transactions and Personal Trading

We have adopted a Code of Ethics for all supervised persons of the Firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons must acknowledge the terms of the Code of Ethics annually, or as amended.

Subject to satisfying this policy and applicable laws, officers, directors and employees of our Firm and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for our clients. The 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. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of our clients.

We anticipate that, in appropriate circumstances, consistent with clients' investment objectives, we will cause accounts over which we have management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which we or our affiliates and/or clients, directly or indirectly, have a position of interest. Our employees and persons are required to follow our Code of Ethics. You may request a complete copy of our Code of Ethics by contacting us.

We have also adopted policies and procedures to prevent the misuse of "insider" information (material, non-public information). A copy of such policies and procedures is available to any person upon request.

Brokerage Practices

Allocation of Investment Opportunities and Orders

We have adopted the following policies and procedures related to the fair allocation of investment opportunities. These policies are designed to help ensure that each client receives fair and equitable treatment in the investment process:

- Investment ideas and/or research analyst recommendations are equally disseminated among all appropriate investment professionals responsible for selecting investments.
- Transactions in the same security on behalf of more than one client are aggregated to facilitate best execution and to reduce brokerage commissions and/or other costs.
- When orders cannot be aggregated, we employ a trading rotation process that is fair and objective among client accounts.
- Aggregated executions to participating accounts are allocated in a fair, equitable and objective manner and permissible reasons are delineated for deviating from the standard methodology and the related approval requirements.
- IPOs are only allocated to accounts when the issuer meets the investment objectives of participating accounts as well as a review process for allocations.
- Secondary offerings are allocated using our standard methodologies taking into account situations in which securities are allocated by the issuer based on a client's existing holdings.

- Conflicting investment opportunities between short selling and long investing are properly addressed.
- Accounts in which our employees or affiliates have a beneficial interest, or in which Sequent Asset has a conflict of interest, do not receive preferential treatment.

When orders are generated, the decision on which accounts should participate, and in what amount, is based on the type of security or other asset, the present or desired structure of the various portfolios and the nature of the account's goals. Other factors include risk tolerance, tax status, permitted investment techniques and, for fixed-income accounts, the size of the account and settlement and other practical considerations. As a result, we may have different price limits for buying or selling a security in different accounts. Portfolio information systems, portfolio reports and quality control reports permit us to consider these factors as appropriate.

When our investment professionals decide to sell a security regardless of tax considerations, both taxable and tax-exempt accounts are eligible for sale simultaneously. In situations where tax gains influence the sale, securities in the tax-exempt accounts may be placed for sale first, as additional time is needed to consider the tax implications for each taxable account. Conversely, when tax losses influence the sale, Sequent Asset may prioritize taxable clients first, as the loss has a specific impact in a given year. In any event, the prioritization process is applied consistently over time.

Broker Analysis

In an effort to achieve best execution, we consider the following factors in selecting brokers:

- Execution capability;
- Order size and market depth;
- Availability of competing markets;
- Trading characteristics of the security;
- Availability of accurate information comparing markets;
- Quantity and quality of research received from the broker/dealer;
- Financial responsibility of the broker/dealer;
- Confidentiality;
- Responsiveness;
- Ability and willingness to commit capital;
- Availability of accurate information comparing markets;
- The technology to process such data; and

- Other factors that may bear on the overall evaluation of best price and execution.

Our investment traders are responsible for continuously monitoring and evaluating the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. In addition, we periodically review our transaction costs in light of current market circumstances, available published statistical analysis as well as other relevant information.

Client Accounts

Reviews

David Doll and/or Tim Hartzell are responsible for reviewing all accounts on a quarterly basis and will compare each investment on a transaction basis to insure that each transaction is: (i) suitable to the respective client's investment objectives; (ii) meets that client's quality standards; and (iii) to make sure that their investment objectives are still pertinent to the managed account arrangement. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances or the market economic or political environment. Principals of the Firm will review the holdings of the private investment funds as well as institutional and individual accounts.

Reports

We issue quarterly reports to our clients, which generally report and are intended to demonstrate the performance of account assets as well as providing an asset holding summary and the total for contributions/withdrawals for the term. Additionally clients will receive an annual performance report for each calendar year, summarizing all portfolio activity for the year.

Clients receive at least quarterly statements from the broker/dealer, bank or other qualified custodian that holds and maintains such clients' investment assets. We urge you to carefully review these statements and compare such official custodial records to the account statements that we may provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

Custody

Our Firm has custody because we act as a trustee on a number of client trusts. We comply with the custody rule with an annual unannounced exam by an accounting Firm.

Investment Discretion

We have discretionary authority to make determinations regarding the securities that are to be bought and sold, as well as the quantities of such securities, the placing of orders for the execution of such securities transactions with other third party broker/dealers, and determining the commission rates paid. Such authority is provided in our written contract with each client. In some cases, this discretion is subject to mutually agreed upon investment guidelines relative to the client's portfolio. We have model portfolio guidelines available for clients to adopt, in whole or in part, if they do not have their own. Client investment guidelines may or may not limit the scope of potential investments. As a result, clients can impose restrictions on investing in certain securities or types of securities. Within client guidelines and instructions, our Management Team (described above) makes decisions as to the nature and quantity of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, we observe the investment policies, limitations and restrictions of the clients for which we advise. Investment guidelines and restrictions must be provided to us in writing.

Unless a client instructs otherwise, we may place orders for the execution of transactions with or through a broker/dealer we may select, and complying with Section 28(e) of the Securities Exchange Act of 1934, may pay a commission on transactions in excess of the amount of commission another broker or dealer would have charged. We will select such brokers that can effect transactions at the best price and execution under the prevailing circumstances. In managing investment portfolios, We will act in a manner in keeping with what it understands and believes to be the best interests of the client.

Executions for clients will always receive priority. The officers and employees of Sequent Asset report transactions monthly to the Firm's Chief Compliance Officer.

Voting Client Securities

As a matter of Firm policy and practice, Sequent Asset does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. Sequent Asset may provide advice to clients regarding the clients' voting of proxies.

Financial Information

Registered investment advisers are required in this Item to provide you with certain information or disclosures about our financial condition. We are well capitalized, have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients, and have not been the subject of a bankruptcy proceeding.

Business Continuity Plan

Sequent Asset has developed a Business Continuity Plan to address how the Firm will respond to events that may disrupt its business. Since the timing and impact of disasters is unpredictable, the Firm will have to be flexible in responding to the events as they occur.

The plan is designed to permit our Firm to resume operations as quickly as possible, given the scope and severity of the significant business disruption. The Business Continuity Plan covers data back up and recovery, mission critical systems, financial and operational assessments, alternative communications, alternate business locations, bank and counter-party impact, regulatory reporting and the assurance of prompt access to funds and securities for our customers. The Plan further provides for multiple points of access to client and business information, not dependant on one location or storage site.

If you have questions about the Firm's Business Continuity Plan, please feel free to contact us.

Privacy Notice to Customers

We do not disclose nonpublic personal information about our individual clients or former clients except as permitted by law. We restrict access to nonpublic personal information about you (that

we may obtain from your account and your transactions) to those employees who need to know that information to provide products or services to you or to alert you to new, enhanced or improved products or services we provide. We maintain physical, electronic and procedural safeguards that comply with federal standards to safeguard your nonpublic personal information.

Form ADV Part 2 Brochure Supplement

David M. Doll

Sequent Asset Management, LLC

952 Echo Lane, Suite 115

Phone 713-467-0008

Fax 713-467-0081

www.sequentasset.com

September 30, 2011

This Brochure Supplement provides information about David Doll's employment and disclosures with regard to Sequent Asset Management, LLC's ("SAM") Form ADV Part 2A Brochure. Please contact David Doll, Chief Executive Officer if you did not receive SAM's Brochure or if you have any questions about the contents of this supplement.

Additional information about David Doll is available on the SEC's Web site at www.adviserinfo.sec.gov.

Educational Background and Business Experience

David M. Doll, Managing Director, and Chief Executive Officer

Born: 1965

Educational background:

University of Houston, 1988, Bachelor of Business Administration with concentration in Finance

University of Houston, 1992, Master of Business Administration with focus in Tax

Northwestern University, 1995, ABA National Graduate Trust School, Advanced Trust Degree

Business background for the preceding five (5) years includes the following:

August 2008 to present; Sequent Asset Management, LLC; Managing Member, Director & CEO

April 1998 to present; L. E. Jones Company Inc.; Director

December 2008 to July 2011; Sequent Intersec Funds Management, LLC; Owner

September 1996 to June 2008; Kanaly Trust Co; President and CEO (2003-2008)

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. Mr. Doll has no disciplinary history to disclose.

Other Business Activities

David is a founding board member of the Knowledge Is Power Program (KIPP) in Houston and served as the organization's chairman of the board from 2006 to 2009. David is a past board member for Junior Achievement in Houston as well as a past board member and current member of the finance committee for the University of Houston Alumni Organization. He also serves on the finance committee and as capital campaign committee advisor for the Girl Scouts of San Jacinto Council.

Additional Compensation

Mr. Doll does not receive any additional economic benefit from third parties for providing advisory services except as outlined under Other Business Activities above.

Supervision

Mr. Doll is the Chief Executive Officer and Managing Member for SAM, therefore, he is responsible for his own supervision and that of all other investment adviser representatives of SAM. He can be contacted at 713-467-0008.

Form ADV Part 2 Brochure Supplement

S. Scott Gaille

Sequent Asset Management, LLC

952 Echo Lane, Suite 115

713-467-0008

713-467-0081

September 30, 2011

This Brochure Supplement provides information about Scott Gaille that supplements the Sequent Asset Management, LLC's ("SAM") Form ADV Part 2 Brochure. Please contact David Doll, Chief Executive Officer if you did not receive SAM's Brochure or if you have any questions about the contents of this supplement.

Additional information about Scott Gaille is available on the SEC's Web site at www.adviserinfo.sec.gov.

Educational Background and Business Experience

S. Scott Gaille, Managing Director and General Counsel

Born: 1969

Educational background:

University of Texas at Austin, 1992, Bachelor of Arts with High Honors in Government

University of Chicago, 1995, Doctor of Law with High Honors

Business background for the preceding five (5) years includes the following:

August 2011 to present; ZaZa Energy, LLC; Advisor

July 2011 to present; American International Industries, Inc.; President

February 2010 to present; Brenham Oil & Gas, Corp.; President and Director

August 2008 to present; Sequent Asset Management, LLC; Managing Director & General Counsel

August 2007 to present; The Gaille Group; President

December 2008 to July 2011; Sequent Intersec Management, LLC; Owner

October 2001 to August 2007; Occidental Oil and Gas Corporation; Director - Business Development

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. Mr. Gaille has no disciplinary history to disclose.

Other Business Activities

Since August of 2007, Mr. Gaille has provided a variety of executive and consulting services in the areas of petroleum exploration, development and production and international business development. Collectively, Mr. Gaille refers to these activities as "The Gaille Group."

Additional Compensation

Mr. Gaille receives the majority of his compensation from his other Gaille Group business activities.

Supervision

David Doll is responsible for supervising Mr. Gaille. He may be contacted at (713) 467-0008.

Form ADV Part 2 Brochure Supplement

Tim S. Hartzell

Sequent Asset Management, LLC

952 Echo Lane, Suite 115

Phone 713-467-0008

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www.sequentasset.com

September 30, 2011

This Brochure Supplement provides information about Tim Hartzell that supplements the Sequent Asset Management, LLC's ("SAM") Form ADV Part 2 Brochure. Please contact David Doll, Chief Executive Officer if you did not receive SAM's Brochure or if you have any questions about the contents of this supplement.

Additional information about Tim S. Hartzell is available on the SEC's Web site at www.adviserinfo.sec.gov.

Educational Background and Business Experience

Tim S. Hartzell, Managing Director and Chief Investment Officer

Born: 1960

Educational background:

Master of Science in Banking & Finance Services

Boston University, Boston, Massachusetts, 2007

Bachelor of Arts in Business Administration with a dual concentration in Economics & Finance

Mount University College, Alliance, Ohio 1982

Chartered Financial Analyst (CFA) designation

Business background for the preceding five (5) years includes the following:

August 2008 to present; Sequent Asset Management, LLC; Managing Director and Chief Investment Officer

December 2008 to July 2011; Sequent Intersec Funds Management, LLC; Owner

December 2007 to November 2008; Legacy Asset Management; Chief Investment Officer

August 2002 to December 2007; Kanaly Trust Company; Sr. Vice President and Chief Investment Officer

Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of each supervised person providing investment advice. Mr. Hartzell has no disciplinary history to disclose.

Other Business Activities

Mr. Hartzell does not have any other business activities.

Additional Compensation

Mr. Hartzell does not receive any additional economic benefit from third parties for providing advisory services except as outlined under Other Business Activities above.

Supervision

David Doll is responsible for supervising Mr. Hartzell. He may be contacted at (713) 467-0008.