

**Item 1. Cover Page**

Equity Armor Investments, LLC

311 S. Wacker Dr., Suite 650

Chicago, Illinois 60606



**EQUITY ARMOR**  
I N V E S T M E N T S

FORM ADV - PART 2A INFORMATION

June 1, 2014

This brochure provides information about the qualifications and business practices of Equity Armor Investments, LLC. If you have any questions about the contents of this brochure, please contact us at 312-253-0423. 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.

Registration does not imply a certain level of skill or training.

Additional information about Equity Armor Investments, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.stutland.com](http://www.stutland.com) or at [www.equityarmorinvestments.com](http://www.equityarmorinvestments.com).

## **Item 2. Material Changes Since Last Updated Brochure**

**June 2014** – Item 4, total AUM (assets under management has changed to \$14M) and change to strategy descriptions and fees associated with each strategy. Item 5, Changes to fee structure. Item 6, changes to side-by-side management. Item 8, change to types of securities we advise. Item 10, affiliations and conflicts described along with additional adviser descriptions. Item 11, change to order execution on behalf of a representative's own account. Item 12, brokerage practices changed. Item 14, other compensation of management fees received by EAI as a sub-adviser to a mutual fund. Schedules 2B added and expanded.

### **Item 3. Table of Contents**

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#### **Item 4. Advisory Business**

Equity Armor Investments, LLC (“EAI”, “we” or “our”) began business in January, 2011 and its current owner is 99% Alpha II Zeta, LLC which in turn is owned by Brian Stutland (50%) and Afshin Luke Rahbari (50%), along with a 1% ownership by Joseph Tigay. As of March 1, 2014, EAI had approximately \$14,000,000 under management on a discretionary basis.

We provide investment supervisory services in return for a fee calculated as a percentage of assets under management. Services are offered and provided to individuals, trusts, institutions, advisory firms, and estates. We offer advice on stocks (exchange listed and over the counter), futures contracts, warrants, corporate debt, commercial paper, certificates of deposit, municipal securities, U.S. Government Securities, option contracts on equities and futures, and partnerships investing in real estate and oil and gas interests. The analysis methods we use to evaluate investments and our strategies performances include charting, fundamental, technical and cyclical analysis.

In addition to the above, EAI makes available the following services to clients based upon client goals:

1) Portfolio Risk Management - EAI performs two levels of analysis on equity (stock) and equity derivatives portfolios. We first conduct a comparison of the portfolio in relation to various market and volatility indexes. To determine potential transactions, we further breakdown large stock holdings into sectors and then run comparisons of those sectors (e.g. health care, energy, etc.) against market and volatility indexes, and large exchange traded funds and holders of positions in those sectors.

2) Recommendations and Order Placement – After the Risk Management assessment is performed, we make recommendations designed to invest the client’s capital in the selected sectors more efficiently. We have back-tested several strategies and provide copies of those back-tested results to clients who have an interest in them to show how well returns may be improved with active management. Back tested results in no way assures returns and losses can occur from employing any investment strategy. In some strategies, real returns are provided as far back as 2008 and are described in each copy sent to the client.

3) Portfolio Insurance Strategies— EAI created an index, ARMOR, which seeks to own volatility in the most efficient manner. The ARMOR Index calculates an investable, long volatility position seeking to highly correlate with VIX (S&P 500 Volatility Index) total return over all time frames by searching for relative value between VIX futures (S&P 500 Volatility Futures) and S&P 500 Index options. Our volatility hedge strategy allow portfolios to be hedged from downside risk on an ongoing basis since the index typically has a negative correlation to the S&P 500 index. Thus, the strategy is designed to perform well in down markets with the goal of protecting losses in stock positions. Methodology used to create the index is used for clients, or **EAI may place clients in the following funds to gain the same type of exposure to the methodology should EAI determine it to be a more efficient means of executing the strategy. EAI subadvises KKM Armor Fund (ticker: RMRAX and RMRIX), which is actively managed to track ARMOR. EAI receives management fees from these mutual funds and holds the right to collect normal advisory fees from a client while also receiving management fees from the mutual funds.**

4) Portfolio Insurance with Stock Exposure Strategies - EAI created an index, USARM, which seeks to own

volatility in the most efficient manner alongside exposure to large cap stocks. The U.S. Equity Armor Index aims to provide investors with superior, lower risk methods of participating in the U.S. equity market. Equity exposure is gained via the SPY ETF, and a corresponding long volatility position, based on the ARMOR Index, is combined and rebalanced monthly. The methodology used to create the index is applied to client accounts, and the SPY ETF holding may or may not be swapped out for other equity classes depending on EAI's determination of best exposure to the equity markets. ARMOR exposure in the methodology may be dialed up or down depending on beta weighting of the equity exposure. **EAI may place clients in the following funds to gain the same type of exposure to the methodology should EAI determine it to be a more efficient means of executing the strategy. EAI subadvises KKM U.S. Equity Armor Fund (ticker: UMRAX and UMRIX), which is actively managed to track USARM. EAI receives management fees from these mutual funds and holds the right to collect normal advisory fees from a client while also receiving management fees from the mutual funds.**

5) Active Overlay Management—We use equity and index option strategies designed to add income to stock portfolios. Single stocks or ETFs, which are either picked by our team using research analytics on a fundamental and technical base or selected by our clients, are hedged with option sales in order to bring in added income on investor's equity asset holding. Instead of simply buying a security and writing a call option against it to generate income, we use volatility measures, earnings expectations and sector performance to initiate our trades. We monitor the trades on a live basis and have proprietary software automated with alerts in place for all options and underlying securities in order to create a rolling program in and out of option positions.

6) US Stocks "Baker's Dozen" Strategies --When using this strategy, we are provided research data from Sabrient Systems, which we use to hand pick our top 13 mid and large cap stocks for clients wishing to purchase a basket of stocks measured by not only relative value but analyst estimates and earnings quality. All trades ideas are generated by Sabrient research. Our part is to use equities and options to best enter, exit and risk manage the portfolios as seen fit.

7) Tactical Macro - The Tactical Asset Allocation SMA is a long-only, non-levered, U.S.-centric macro strategy that seeks absolute return by allocating to US dollar denominated securities and commodities, including: equities, fixed-income, precious metals, volatility, cash and cash-equivalents. Portfolio construction is based on rigorous quantitative analysis of the relative correlation, momentum, and volatility of these assets. Strict risk management techniques are used to reduce draw downs and minimize portfolio volatility during turbulent markets. The fund aims to generate positive absolute returns across complete market cycles with a low sensitivity to traditional equity and fixed income investments.

8) Use of Volatility Arbitrage—Rather than initiating cash covered positions, we may also trade utilizing margin (borrowed funds) in order to capture volatility swings in the market on various stocks and indexes. Determining risk and direction between asset classes, trades are initiated to capture what EAI believes to be mispriced option premiums or mispriced implied volatility and volatility futures. Returns may not be correlated to moves of the stock market, but instead be based on price changes in options values and volatility expectations.

9) Gold Tactical - Dynamic Gold strategy uses a macroeconomic model that utilizes key indicators to forecast future prices of gold. The model uses an orthogonal projection based on a varied basket of

macroeconomic and financial variables to generate a theoretical fair value of gold. Outputs are compared to current market prices to identify the most advantageous level of exposure to create a total return with minimal portfolio volatility.

Advisory services are tailored to the individual needs of clients, based upon a variety of factors discussed with clients at the outset of services. Clients may impose restrictions on investing in certain securities or types of securities by letting us know in writing. Also, clients are free to meet or confer with their EAI services Representative at any time. Results of EAI services are discussed as conferences occur with each client.

We do not participate in any wrap fee program where the fee for our services is combined with the fee or commissions that a client's brokerage firm charges for transaction execution services.

#### **Item 5. Fees and Compensation**

We are compensated for its advisory services in accordance with the Fee Schedule set forth below.

Before clients are billed the fee calculation is reviewed by the firm's Representative providing services and approved by Brian Stutland before being submitted to the client for approval. Upon approval, the client instructs their respective broker-dealer to make the payment to us.

Clients pay all commissions and other costs and fees associated with or imposed by their respective broker-dealer. We do not impose fees, costs or expenses beyond those contained in the Fee Schedule below. Should an advisory contract be terminated by the client, the determination of advisory fees due, if any, shall be calculated on a prorated basis.

Fees are neither billed nor collected in advance.

A client has a right to terminate a contract for advisory services, without penalty, within five (5) business days after entering into the contract if the client did not receive the firm's Form ADV, Part 2A and Schedules 2B, or at any other time upon written notice.

The firm's Representatives providing advice to clients do not accept compensation for the sale of securities or other investment products. Nor do they receive asset-based sales charges or service fees from the sale of mutual funds. **The firm may receive management fee compensation from funds in which the firm sub-advises, and thus has the right to collect advisory fees from the client and collect fees from the sub-advised funds in which the client is invested.** We try and avoid activities that by their nature or structure might provide an incentive for a Representative to choose one investment over another, or depart from clients' particular needs.

Clients can purchase investment products through brokerage firms and agents other than those recommended by us. Clients are required to select a broker of their choice prior to entering into the services agreement with us. That firm must be registered in the state in which the client resides.

## ADVISORS FEE SCHEDULE

Effective October 31, 2011

### Options, Overlay Consulting & Management Services – Annual Fee

For option, overlay consulting and management services (provided by Equity Armor Investments).  
Up to 2.50% of assets under management based on following schedule:

Net Asset Value

#### Annual Fee

Less than \$249,999: 2.50%

\$250,000 – 999,999: 2.25%

\$1,000,000 – 1,999,999: 2.00%

\$2,000,000 – 4,999,999: 1.50%

\$5,000,000 – 9,999,999: 1.00%

\$10,000,000+: Negotiated

Asset Management Fee. Client shall pay to Adviser an annual fee of [\_\_\_\_\_] of the Net Asset Value (as hereinafter defined) of the Account, based on the market value of securities and cash in the Account (as shown by the quarterly statement) (the “Asset Management Fee”).

For clients who do not use the broker/dealer Interactive Brokers, fees are billed quarterly in arrears based on 1/4 the annual management fee. Fees may be amended at the discretion of Equity Armor Investments. Fees charged are computed based on net asset value (NAV) of assets under management on the last calendar day of the quarter. Before clients are billed the fee calculation is reviewed by the advisor(s) and approved by Brian Stutland before being submitted to the client for approval. Upon EAI's approval the client instructs their respective broker-dealer to issue payment to Equity Armor Investments LLC.

Clients holding their accounts at Interactive Brokers, please select one of the following ways to be billed:

Please check one of the following fee charges:

☐ Client agrees to Automatic Daily Billing:

Interactive Brokers calculates Advisor Fees and deducts these fees based upon annualized percentage of Net Liquidation Value (Net Asset Value) applied on a daily basis rather than on the last calendar day of the quarter. Before clients are billed the fee calculation is reviewed by the advisor(s) and approved by Brian Stutland before being submitted to the client for approval. Upon approval, the client instructs their respective broker-dealer to issue payment to Equity Armor Investments LLC. Equity Armor Investments LLC does not deduct or draft fees from the client's account, but receives payment from Interactive Brokers.

o Client agrees to Automatic Quarterly Billing:

Interactive Brokers calculates Advisor Fees and deducts these fees based upon annualized percentage of Net Liquidation Value (Net Asset Value) applied on a quarterly basis on the last calendar day of the quarter. Before clients are billed the fee calculation is reviewed by the advisor(s) and approved by Brian Stutland before being submitted to the client for approval. Upon approval, the client instructs their respective broker-dealer to issue payment to Equity Armor Investments LLC. Equity Armor Investments LLC does not deduct or draft fees from the client's account, but receives payment from Interactive Brokers.

**Commissions on Accounts**

Commissions' schedules, rates, charges, account fees and all other fees charged by the client designated brokerage firm(s) are the clients' responsibility Equity Armor Investments has no input or control over rates charged at the designated broker/ dealer/ brokerage firm the client chooses. Please be fully aware of all fees and rates for trading of stocks, options, ETF's, fixed income securities and all account fees on your account at other brokerage firms.

**Incentive Fee.** In addition to the Asset Management Fee, Client shall pay the Advisor a fee equal to [\_\_\_\_\_] % of the New Net Profits on all assets in the Account (the "Incentive Fee"). Advisor shall calculate for each calendar quarter the net increase or decrease in "Net Asset Value" between the last day of the prior calendar quarter and the last day of the calendar quarter for which the calculation is made, subtracting any additional contributions to the Account and adding back any withdrawals from the Account during the applicable calendar quarter. Should the calculation of the Net Asset Value result in a decrease in any calendar quarter, such loss shall be carried forward and applied against each ensuing calendar quarter's Net Asset Value until such loss has been completely utilized. The Incentive Fee shall be paid on a quarterly basis as provided in subsection (a) below.

(a)The Net Asset Value of the Account shall be determined as of the close of business on the last business day of each calendar quarter, and the Asset Management Fee and Incentive Fee will be computed and billed as soon as practicable after the end of each calendar quarter. Fees for any partial quarter shall be prorated according to the portion of the quarter in which this Agreement was in effect. Fees are due immediately upon receipt by Client of a bill from Adviser and, unless other arrangements are made, shall be paid by the custodian of the Account out of the assets of the Account. In the event that the payment of fees to Adviser requires the liquidation of securities, Client acknowledges that such redemption will have tax consequences unless the Account is tax deferred.

**Other Compensation**



As described in the examples below, EAI and/or its associated persons (employees and Representatives) may have arrangements where compensation or some other economic benefit is received by EAI or a Representative from a non-client in connection with giving advice to clients.

EAI will usually recommend clients establish custodial accounts with unrelated broker-dealers ("Third Party Custodians"). These firms hold or custody client accounts on their records; process transactions ordered by EAI; provide computer access to EAI for client positions and provide quotes and data needed by EAI for its reports to clients. These firms may also provide the following:

1. **Support Services.** Third Party Custodians also provide EAI with a range of services and other benefits to help it conduct its business. For instance, the firms may pay for or provide EAI with technology solutions to help facilitate its integration with the firms' brokerage systems and thereby streamline its operations. These may include providing duplicate client statements, research related tools, access to block trading, ability to debit fees from client accounts, discounts on compliance, marketing, technology and practice management products provided by third party vendors, and proprietary integrated analysis, trading and reporting system that allows EAI to communicate electronically with these firms. Third Party Custodians' representatives may be available to provide administrative support to EAI. These firms may assist EAI in joining its services platform and in completing documentation to enroll clients to receive its services, and this may include providing or paying for clerical staff to assist and, in some cases, paying account transfer fees or other charges EAI clients may have to pay when changing custodians or service providers.

2. **Reimbursements.** In limited circumstances, Third Party Custodians may make direct or indirect payments to EAI. For example, they may reimburse EAI Representatives for reasonable travel expenses incurred when reviewing that firm's business and practices.

These and other services that a Third Party Custodians may furnish provide benefits to EAI and may be made available at no fee or at a discounted fee and the terms may vary among advisors depending on the business they and their clients conduct and other factors.

A Third Party Custodian's provision of these services and other benefits to EAI may be based on clients of EAI placing a certain amount of assets in accounts with them within a certain period of time. EAI may be influenced by this in recommending that its clients establish accounts with them, and products and services may not necessarily benefit a client's account.

Although a client is not obligated to utilize the services of these firms, EAI believes that use of these firms is a convenient means of obtaining efficient transaction executions, account reference and reporting services for investment positions. However, receipt of such services also creates an inducement and conflict of interest for EAI since referring clients to any other firm may result in higher reporting and overhead costs to EAI.

In some cases, the execution prices from a particular broker/dealer for a particular transaction or set of transactions may not be better, or even be higher, than another broker could provide.

## **Item 6 Performance-Based Fees and Side-by-Side Management**

We currently do not participate in side-by-side management relationships. Side-by-side management relationships exist where an advisor may have a co-or sub-advisor relationship with another investment advisor to provide services to a common client. However, EAI can develop a type of side-by-side management relationship such that EAI may co- or sub-advise a client already managed by another advisor. Some accounts in a limited number of strategies may be charged with a performance based fee only after the client agrees to such fees and may not exceed 20% of the profits generated and is only applied after a high water mark is breached.

#### **Item 7. Types of Clients**

EAI provides investment supervision services for investment companies, individuals, trusts and estates.

The minimum market value of cash and/or securities to open an account is \$250,000. The minimum may be waived at EAI discretion.

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

EAI offers advice on U.S. stocks (exchange listed and over the counter), futures, warrants, corporate debt, commercial paper, certificates of deposit, municipal securities U.S. Government Securities, option contracts on equities and futures, and partnerships investing in real estate and oil and gas interests. Analysis of the investment ideas includes charting, fundamental, technical and cyclical analysis. Information sources include financial newspapers and magazines, research materials prepared by other corporate rating services, quantitative analysis of equities from Sabrient Systems, annual reports, prospectuses, SEC filings and company press releases.

Investment strategies used to implement any investment advice given to clients include long term purchases (securities held at least one year), short term purchases (securities sold within one year), trading (securities sold within thirty days) and option buying and writing (including covered options, uncovered option, overlay, volatility or spreading strategies). Also see Item 4 for descriptions of strategies used.

Investing in securities involves risk of loss that advisory clients should be prepared to bear. EAI does not guarantee the results of any recommendation or action. Losses can occur from receiving services.

#### **Item 9. Disciplinary Information**

EAI has no legal or disciplinary events of a material nature that might impact a client's or prospective client's evaluation of the advisory business's integrity or the integrity of its management.

Stutland Equities LLC, a company in which Brian Stutland is a member, and which conducts a floor trading operation on the Chicago Board Options Exchange, Incorporated (the "Exchange") was the subject of a Decision Accepting Offer of Settlement, more fully described and set forth at the link cited below. Stutland Equities was examined by the Exchange and received a report alleging failures to maintain certain books and records required by the Exchange. After discussion and offer of settlement, Stutland Equities LLC agreed, without admitting or denying the allegations, to the payment of \$25,000 in settlement of the matter, which also included Stutland Equities being approved as fully compliant by the CBOE to its books and records requirements in question.

Stutland Equities maintains in good standing with the CBOE and is an active registered member firm with the CBOE, conducting active floor trading or other operations.

For additional details and full disclosure of the Settlement matter, please see the Decision Accepting Offer of Settlement below.

<https://www.cboe.org/publish/DisDecision/09-0039.pdf>

#### **Item 10. Other Financial Industry Activities and Affiliations**

There are no registrations or applications for registration currently pending to register EAI or any person associated with it as a broker-dealer or registered representative of a broker-dealer, futures commission merchant, or commodity pool operator (or associated person for the foregoing entities). EAI is currently registered with the National Futures Association as a commodity trading advisor.

EAI is owned by 99% Alpha II ZETA, LLC which, in turn, is owned 50% by Brian Stutland and 50% by Afshin Luke Rahbari, and is also owned by 1% Joseph Tigay.

Afshin Luke Rahbari, Senior Investment Officer with EAI, is also a member of the Board of Directors of Trading Block Holdings, Inc., the owner of AOS, Inc. d/b/a TradingBlock. Mr. Rahbari owns an equity interest in Armada Capital, LLC which, in turn, owns 1.66% of TradingBlock Holdings. The time spent on this activity is approximately two to five hours per month. Mr. Stutland's wife is the beneficiary of a trust which has a .88% equity interest in TradingBlock Holdings. TradingBlock also provides office space to EAI within its offices at no charge.

Brian Stutland periodically speaks as a contributor to CNBC network and website. While doing so, he may discuss strategies used or favored by EAI. Mr. Rahbari is occasionally asked to participate as a guest speaker by the CBOE. When giving presentations, he may also discuss strategies used or favored by EAI.

Afshin Luke Rahbari and Brian Stutland are members of Alpha II Zeta, LLC, which is the Manager and sole member of Equity Armor Investments, LLC. Alpha II Zeta is a payroll company and used as a holding company used for investments between Brian Stutland and Luke Rahbari. Alpha II Zeta also owns equity in Sabrient Systems but does not make any controlling interest decisions in the company. Rahbari and Stutland do have ownership in any advisory created by Sabrient Systems as well and decisions made by such advisory is conducted and analyzed independent of strategies used at EAI.

Sabrient Systems is a quantitative research analytics group that produces a stock ranking system based on fundamental analysis, analyst estimates, etc. Sabrient Systems provides EAI with free research from its stock ranking system that may or may not be used to determine which stocks to purchase for our clients. This ownership, business and engagement relationships may result in conflicts of interest, and clients are hereby notified of the existence of these conflicts. When making investment decisions for clients, EAI and its Representatives act in the best interest of clients.

Brian Stutland is Chief Compliance Officer of KKM Financial, LLC but does not receive compensation directly from KKM Financial, LLC for such duties. Duties include only time spent to keep compliance for KKM Financial, LLC.

EAI does not recommend or select other investment advisers for clients, thus does not receive any direct or indirect compensation for such actions.

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

Representatives of EAI may buy or sell securities, for themselves that they also recommend to clients. Where a transaction for a Representative, or an account related to a Representative, is contemplated, a client's transaction is given priority or sent at equal times as the Representative. Where a transaction for a Representative, or an account related to a Representative, is contemplated, if other clients are engaging in the same security that same day, such transaction is executed by a representative who does not represent their own account. EAI has developed a Code of Ethics applicable to all persons who have access to confidential client records or to recommendations being made for client accounts. Designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm and its staff, the Code requires, among other procedures, persons who have access to client records or firm recommendations to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for clients' accounts. The Code also established certain bookkeeping requirements relating to state reporting rules. The Code is required to be reviewed annually and updated as necessary.

A complete copy of the firm's Code is available upon request, either in writing or by phone.

#### **Item 12. Brokerage Practices**

We may place orders to purchase and sell investments through each client's broker(s) or dealer(s). In selecting among client's broker(s) or dealer(s) for any transaction or series of transactions, we may consider a number of factors including, for example, net price, reputation, financial strength and stability, efficiency of the trade executions EAI receives, block trading and block positioning capabilities, willingness to execute related or unrelated difficult transactions, and other matters ordinarily involved in the receipt of brokerage service generally. We may cause client accounts to pay higher commissions to a broker or dealer that provides brokerage or research services to us if we determine in good faith that the amount of such commission is reasonable in relation to the value of the brokerage or research services provided by such executing broker or dealer viewed in terms of particular transaction(s) or our overall responsibilities to client accounts. When referring clients to dealers, we will only refer clients to dealers registered in states where the clients reside.

Clients should be aware that we may aggregate sale and purchase orders of securities held in the account with similar orders being made simultaneously for other accounts managed by the firm for accounts of the affiliates of EAI, if, in our judgment, such aggregation results in an overall economic benefit to the account based on an evaluation that the account is benefited by relatively better purchase or sale prices, lower commission expenses, and beneficial timing of transactions, or a combination of such factors.

### **Item 13. Review of Accounts**

Each account will be reviewed monthly by the Investment Committee with respect to all cash and security transactions. Each account will also be reviewed to ensure activity is consistent with account objectives.

Investment Committee:

Investment Officer: Brian Stutland

Investment Officer: Afshin Luke Rahbari

Client reports will be generated by the client's account custodian either monthly or quarterly, per client request, showing all account activity and investment values, as well as a list of all assets. For accounts custodied at Interactive Brokers, LLC, reports are made available on-line weekly. In addition, an annual summary of the above reports is generated.

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

Other than described in Items 5, Other Compensation and Item 10, Affiliations, EAI and its Representatives do not receive cash or any economic benefit (including commission, equipment, or non-research services) from non-clients in connection with giving advice to clients.

We do not, either directly or indirectly, compensate any person for client referrals but may do so (with advance disclosure to clients) in the future.

**EAI may place clients in mutual funds sub-advised by EAI to gain the same type of exposure to the methodology of the strategy should EAI determine it to be a more efficient means of executing the strategy. As a sub-adviser to a mutual fund, EAI receives management fees from such mutual funds and holds the right to collect normal advisory fees from a client while also receiving management fees from the mutual funds. Thus, EAI is not obligated to pass any management fees received from the adviser of the mutual fund to EAI's client in that particular fund.**

### **Item 15. Custody**

EAI does not have custody of client funds or securities. All client assets are held through Trading Block, Inc., Charles Schwab, Fidelity, or Interactive Brokers, as the client selects. All confirmations and account statements will be generated and sent from the client's selected brokerage firm. Clients should carefully review all confirmations and account statements to ensure the information and billings they may receive from EAI are consistent with the information on those statements.

### **Item 16 Investment Discretion**

#### Authority of Our Firm:

We have discretionary authority to manage and control the assets in each client's account. This authority is granted to us when a client signs our discretionary management agreement. This authority allows us to select and purchase and sell securities in the amounts and at the times we believe are in the best interest of the account. Investment Limitations and Guidelines:

EAI manages investments in accordance with the client's investment objective, policies and restrictions. A client may, from time to time, revise, supplement, or otherwise modify the guidelines by specifying such revision, supplement, or amendment in writing to the firm; provided, however, that no such revision, supplement, or modification shall be effective until written notice thereof is received by the firm.

#### **17. Voting Client Securities**

Unless otherwise requested in writing by the client, we shall not take any action with respect to the voting proxies solicited by any person with respect to any investment of client assets. We will advise the client on the issues presented in such proxies, if so requested by the client to do so.

#### **Item 18. Financial Information**

We do not have custody of client's funds or securities, or require or solicit fee payments from clients of more than \$500.00 per client, six months or more in advance.

#### **Item 19. State Information**

See attached Schedules 2B for information about key managers. The firm is not engaged in any business other than giving advice.

No management person has been involved in a disciplinary action other than described in Item 9.

**Item 1 Cover Page**

Schedule B Brochure Supplement

Afshin Luke Rahbari

Equity Armor Investments, LLC

311 S. Wacker Dr., Suite 650

Chicago, Illinois 60606

March 1, 2014

This brochure supplement provides information about Afshin Luke Rahbari that supplements Equity Armor Investments, LLC brochure. You should have received a copy of that brochure. Please contact Brian Stutland, Chief Compliance Officer, if you did not receive Equity Armor Investments, LLC brochure, or have any questions about the contents of this supplement.

Registration does not imply a certain level of skill or training.

Additional information about Afshin Luke Rahbari also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.stutland.com](http://www.stutland.com) or at [www.equityarmorinvestments.com](http://www.equityarmorinvestments.com).

## **Item 2. Educational Background and Business Experience**

Name: Afshin Luke Rahbari Date of Birth: 1967

Formal Education after High School:

1985-1991 Eastern Michigan-Ypsilanti, MI

Degree: BBA

Major: Economics

2000-2002 University of Chicago, Graduate School of Business -Chicago, Illinois

Degree: Master of Business Administration

Business Background:

1994 to 2002- LETCO Trading- Chicago, Illinois

Investment Securities Business

Position: Floor Trader, Market Maker, Specialist

Registered Options Principal

2002 to 2006 Toronto Dominion Bank-London

Trading Company

Institutional Equity Derivatives Desk

2007 to 2011- Peachtree Asset Management

Asset Manager-Peachtree Settlement Funding



2011-present    Stutland Volatility Group, LLC - Chicago, IL  
Investment Securities Business  
Position: Founder, Member, Investment Adviser Representative

### **Item 3. Disciplinary Information**

Mr. Rahbari has had no legal or disciplinary events of any kind.

### **Item 4. Other Business Activities**

Afshin Luke Rahbari, is also a member of the Board of Directors, Trading Block Holdings, Inc. Time spent on this activity is approximately two to five hours per month.

Afshin Luke Rahbari is a member of Alpha II Zeta, LLC, which is the Manager and sole member of Equity Armor Investments, LLC. Alpha II Zeta is a payroll company and used as a holding company used for investments between Brian Stutland and Luke Rahbari. Alpha II Zeta also owns equity in Sabrient Systems but does not make any controlling interest decisions.

Sabrient Systems is a quantitative research analytics group that produces a stock ranking system based on fundamental analysis, analyst estimates, etc. Sabrient Systems provides Equity Armor Investments with free research to their stock ranking system that may or may not be used to determine which stocks to purchase for clients.

The relationships above have not resulted in a conflict of interest, but should such a conflict arise, advisors would immediately notify the proper supervising parties and take the necessary action to disclose the potential or existence of a conflict and respond appropriately to remedy any conflict.

### **Item 5. Additional Compensation**

Afshin Luke Rahbari, does not receive additional compensation for advisory services on behalf of Equity Armor Investments LLC.

### **Item 6. Supervision**

Brian Stutland will serve as investment adviser principal for Equity Armor Investments LLC and supervises all of its actions along with those of Mr. Rahbari.

### **Item 7. Requirements for State-Registered Advisers**

- A. With respect to Mr. Rahbari:
1. There are no awards or findings of liability in arbitration or other claim.
  2. There are no awards or findings of liability in a civil, self-regulatory organization, or administrative proceeding other than the item set forth in Item 3 above.
- B. Mr. Rahbari, is not subject of a bankruptcy petition.

**Item 1. Cover Page**

SCHEDULE BE BROCHURE  
SUPPLEMENT

Joseph Tigay

Equity Armor Investments, LLC

311 S. Wacker Dr., Suite 650

Chicago, Illinois 60606

March 1, 2014

This brochure supplement provides information about Joseph Tigay that supplements Equity Armor Investments, LLC brochure. You should have received a copy of that brochure. Please contact Brian Stutland, Chief Compliance Officer, if you did not receive Equity Armor Investments, LLC brochure, or have any questions about the contents of this supplement.

Registration does not imply a certain level of skill or training.

Additional information about Joe Tigay also is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.stutland.com](http://www.stutland.com) or at [www.equityarmorinvestments.com](http://www.equityarmorinvestments.com).

## **Item 2. Educational Background and Business Experience**

Name: Joseph Tigay Date of Birth: 1981

### Formal Education after High School:

2000-2009 Michigan State University-East Lansing, Michigan  
Degree: Bachelor of Science in Economics  
Major: Economics

### Business Background:

2005-to 2009 - Stutland Equities, LLC- Chicago, Illinois  
Investment Securities Business  
Position: Trader, Market Maker,  
Clerk  
2010 to 2011 - Stutland Equities, LLC- Chicago, Illinois  
Investment Securities Business  
Position: Floor Trader, VIX options Market Maker,  
2011to present - Stutland Volatility Group, LLC- Chicago, Illinois  
Investment Securities Business  
Position: Investment Adviser Representative

## **Item 3. Disciplinary Information**

Mr. Tigay has no legal or disciplinary events of any kind.

## **Item 4. Other Business Activities**

Joseph Tigay has no other outside business activity.

The relationships above have not resulted in a conflict of interest, but should such a conflict arise, advisors would immediately notify the proper supervising parties and take the necessary action to disclose the potential or existence of a conflict and respond appropriately to remedy any conflict

**Item 5. Additional Compensation**

Joseph Tigay does not receive additional compensation for advisory services on behalf of Equity Armor Investments LLC.

**Item 6. Supervision**

Brian Stutland is the investment adviser principal for Equity Armor Investments LLC and supervises all of its actions, including Mr. Tigay's business activities.

**Item 7. Requirements for State-Registered Advisers**

- A. With Respect to Mr. Tigay:
  - 1. There are no awards or findings of liability in arbitration or other claim.
  - 2. There are no awards or findings of liability in a civil, self-regulatory organization, or administrative proceeding other than the item set forth in Item 3 above.
- B. Mr. Tigay is not subject of a bankruptcy petition.

SCHEDULE B BROCHURE SUPPLEMENT

Brian Stutland  
Equity Armor Investments, LLC

311 S. Wacker Dr., Suite  
650  
Chicago, Illinois 60606

March 1, 2014

This brochure supplement provides information about Brian Stutland that supplements Equity Armor Investments, LLC Brochure. You should have received a copy of that brochure. Please contact Brian Stutland, Chief Compliance Officer, if you did not receive Equity Armor Investments, LLC brochure, or have any questions about the contents of this supplement.

Registration does not imply a certain level of skill or training.

Additional information about Brian Stutland also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.stutland.com](http://www.stutland.com) or at [www.equityarmorinvestments.com](http://www.equityarmorinvestments.com).

## **Item 2. Educational Background and Business Experience**

Name: Brian Stutland

Date of Birth: 1975

### Formal Education after High School:

1993-1997      University of Michigan- Ann Arbor, Michigan Degree: Bachelor of  
Science in Engineering Major: Chemical Engineering

1997-1999      University of Michigan- Ann Arbor, Michigan Degree:  
Masters of Science in Engineering Major: Biomedical Engineering

### Business Background:

1999-to 2002      LETCO Trading- Chicago, Illinois Investment Securities

Business Position: Trader, Market Maker

2002 to 2005 - Brian Stutland sole proprietor trading activity- Chicago, Illinois

Investment Securities Business

Position: Floor Trader, Founder

2005 to 2011 - Stutland Equities, LLC- Chicago, Illinois

Investment Securities Business

Position: Floor Trader, Founder & President

2012 to present - Stutland Equities, LLC- Chicago, Illinois

Investment Securities Business

Position: Floor Trader, Founder & Member

2011 to present- Stutland Volatility Group, LLC

Investment Securities Business

Position: Founder,

### **Item 3. Disciplinary Information**

Equity Armor Investments LLC has no legal or disciplinary events of a material nature that might impact a client's or prospective client's evaluation of the advisory business's integrity or the integrity of its management.

Stutland Equities LLC, a company in which Brian Stutland is a member, and which conducts a floor trading operation on the Chicago Board Options Exchange, Incorporated (the "Exchange"). was the subject of a Decision Accepting Offer of Settlement, more fully described and set forth at the link cited below. Stutland Equities was examined by the Exchange and received a report alleging failures to maintain certain books and records required by the Exchange. After discussion and offer of settlement, Stutland Equities LLC agreed, without admitting or denying the allegations, to the payment of \$25,000 in settlement of the matter, which also included Stutland Equities being approved as fully compliant by the BOE to its books and records requirements in question.

Stutland Equities maintains in good standing with the CBOE and is an active registered member firm with the CBOE, conducting active floor trading or other operations.

For additional details and full disclosure of the Settlement matter, please see the Decision Accepting Offer of Settlement.

<https://www.cboe.org/publish/DisDecision/09-0039.pdf>

### **Item 4. Other Business Activities**

Brian Stutland is an investment adviser representative of Equity Armor Investments, LLC.

Brian Stutland is a member of Alpha II Zeta, LLC, which is the Manager and sole member of Equity Armor Investments, LLC. Alpha II Zeta is a payroll company and used as a holding company used for investments between Brian Stutland and Luke Rahbari. Alpha II Zeta also owns equity in Sabrient Systems but does not make any controlling interest decisions. However, Brian Stutland and Luke Rahbari may receive compensation for interest in an advisory businesses by Sabrient Systems and may make investment advisory decisions independent of Equity Armor Investments, LLC.

Brian Stutland is a member of Scripted Edge, LLP. Scripted Edge, LLP is a software analytics company who provides option traders with pricing models, execution systems, and risk management tools. Stutland Equities, LLC is a client of Scripted edge. Equity Armor Investments is also a client of Scripted Edge and uses its software for order execution. Brian Stutland does not have any controlling interest in Scripted Edge.

Brian Stutland is Chief Compliance Officer of KKM Financial, LLC but does not receive compensation directly from KKM Financial, LLC for such duties. Duties include only time spent to keep compliance for KKM Financial, LLC.

The relationships above have not resulted in a conflict of interest, but should such a conflict arise, advisors would immediately notify the proper supervising parties and take the necessary action to disclose the potential or existence of a conflict and respond appropriately to remedy any conflict.

**Item 5. Additional Compensation**

Brian Stutland does not receive additional compensation for advisory services on behalf of Equity Armor Investments LLC.

**Item 6. Supervision**

Brian Stutland serves as investment adviser principal for Equity Armor Investments, LLC and supervises all of its actions. Mr. Stutland's activities are supervised by Luke Rahbari.

**Item 7. Requirements for State-Registered Advisers**

- A. With respect to Mr. Stutland:
  - 1. There are no awards or findings of liability in an arbitration or other claim.
  - 2. There are no award or findings of liability in a civil, self-regulatory organization, or administrative proceeding other than the item set forth in Item 3 above.
- B. Mr. Stutland is not subject of a bankruptcy petition.



SCHEDULE B BROCHURE SUPPLEMENT

Matthew Franz  
Equity Armor Investments, LLC

311 S. Wacker Dr., Suite  
650  
Chicago, Illinois 60606

March 1, 2014

This brochure supplement provides information about Matthew Franz that supplements Equity Armor Investments, LLC Brochure. You should have received a copy of that brochure. Please contact Brian Stutland, Chief Compliance Officer, if you did not receive Equity Armor Investments, LLC brochure, or have any questions about the contents of this supplement.

Registration does not imply a certain level of skill or training.

Additional information about Matthew Franz also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) and at [www.stutland.com](http://www.stutland.com) or at [www.equityarmorinvestments.com](http://www.equityarmorinvestments.com).

**Item 2. Educational Background and Business Experience**

Name: Matthew Franz                      Date of Birth: March 13, 1990

Formal Education after High School:

2008-2012              University of Michigan- Ann Arbor, Michigan

Degree: Bachelor of Science in Engineering

Major: Civil and Environmental Engineering

Business Background:

2012-Present      Stutland Volatility Group, Chicago, Illinois      Investment Securities

Business Position:    Trader, Analyst

**Item 3. Disciplinary Information**

Equity Armor Investments LLC has no legal or disciplinary events of a material nature that might impact a client's or prospective client's evaluation of the advisory business's integrity or the integrity of its management.

**Item 4. Other Business Activities**

Matthew Franz owns 0.5% of KKM Financial, LLC.

The relationships above have not resulted in a conflict of interest, but should such a conflict arise, advisors would immediately notify the proper supervising parties and take the necessary action to disclose the potential or existence of a conflict and respond appropriately to remedy any conflict.

**Item 5. Additional Compensation**

Matthew Franz does not receive additional compensation for advisory services on behalf Equity Armor Investments LLC.

**Item 6. Supervision**

Matthew Franz's activities are supervised by Brian Stutland.

**Item 7. Requirements for State-Registered Advisers**

- A.      With respect to Mr. Franz :
  - 1.      There are no awards or findings of liability in an arbitration or other claim.
  - 2.      There are no award or findings of liability in a civil, self-regulatory organization, or administrative proceeding other than the item set forth in Item 3 above.

B. Mr. Franz is not subject of a bankruptcy petition.