

Part 2A of Form ADV: Firm Brochure

Item 1 Cover Page

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This brochure provides information about the qualifications and business practices of Sullivan & Associates. If you have any questions about the contents of this brochure, please contact us at 719-576-4500. 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 Sullivan & Associates also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Material Changes

Sullivan & Associates has had two material changes since its last brochure update December 12, 2008. It no longer pays compensation for Client referrals. It is also registered with the state of Colorado to comply with the new regulatory rules on Investment Adviser registration.

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Item 4 Advisory Business

Sullivan & Associates (“Adviser”), owned by Patrick Sullivan, is an Independent Registered Investment Advisor specializing in helping individuals and businesses achieve financial stability, growth and independence. We work to help clients achieve these goals through sound financial management and a commitment to continued improvement.

Sullivan & Associates offers a broad range of services such as personal financial planning, risk management, and money management. We have four core values that are used as a foundation when providing these services. These values are: Integrity, Service, Education, and Innovation.

Presently, the Adviser focuses on providing services mainly to the following types of Clients:

- Individuals
- Pension and profit sharing plans
- Trusts
- Estates
- Charitable organizations
- Corporations or other business entities not listed in the above

Sullivan & Associates typically offers the following types of investments:

- Equity securities (exchange listed, over-the-counter, and foreign issuers)
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposits
- Municipal securities
- Investment company securities (variable life insurance, variable annuities, and mutual fund shares)
- U.S. government securities
- Options contracts on securities
- Interests in partnerships investing in real estate, oil and gas, and equipment leasing

Advice is tailored to individual Client’s needs through interviews with Clients, the collection of important information, and detailed financial planning, as applicable.

As of 12/31/10, the Firm had the following in assets under management:

Discretionary	Accounts: 2	Assets: \$135,927.66
Non-Discretionary	Accounts: 2	Assets: \$1,027,372.53
Total	Accounts: 4	Assets: \$1,163,300.19

Privacy Notice

Sullivan & Associates is committed to protecting confidentiality of the information furnished to us by our Clients. We are providing you this information as required by Regulation S-P adopted by the Securities and Exchange Commission.

Information about you that we collect.

We collect nonpublic personal information about you from the following sources: information we receive from you on applications or other forms or through our web site; information about your transactions with us, our affiliate or others; and information we may receive from a consumer reporting agency.

Our use of information about you.

We may share information about you with other companies in the Raymond James family - that is, companies that are owned by Raymond James Financial. In certain rare cases we may share information with professional designation oversight bodies if an investigation is begin conducted. Otherwise, we do not disclose any nonpublic

personal information about you to anyone except as permitted by law. We follow the same policy with respect to nonpublic information received from all Clients and former Clients.

Special Note for California and Vermont Accounts

California and Vermont law imposes additional requirements beyond federal law for residents of those states. Consistent with these laws, we do not share information with third parties for accounts with a primary mailing address in those states except as required or permitted by applicable federal and state law.

How we protect your confidential information.

Sullivan & Associates has policies that restrict access to nonpublic personal information about you to those employees who have need for that information to provide investment alternatives or services to you, or to employees who assist those who provide investment alternatives or services to you. We maintain physical, electronic and procedural safeguards to protect your nonpublic personal information.

Opt-Out Procedure

If you prefer that Sullivan & Associates not take your nonpublic personal information and use it at a non-affiliated firm, you may direct us not to make or permit such disclosures by contacting us at the following toll free number: 1-866-423-7237.

Item 5 Fees and Compensation

Financial Planning and Investment Management Fees

The primary services offered by Sullivan & Associates consist of comprehensive financial planning & investment management. The advisor spends approximately 25% of his/her time providing supervisory services and 50% furnishing investment advice through consultations not included in those supervisory services. The balance of time is spent furnishing advice to Clients on matters not involving securities.

FINANCIAL PLANNING SERVICES

Comprehensive financial planning covers five areas and includes implementation strategy. The five areas are:

1. Current Personal Financial Affairs
2. Risk Management
3. Investment Management
4. Tax Management
5. Estate Management

Advice is provided in all of these areas. Specific equity and debt securities advice may be provided and all investment advice may, if desired, be implemented through Raymond James Financial Services ("RJFS"). Advice on insurance and real estate may also be provided, and if desired, implemented through our affiliations. Financial plans are updated on an as necessary basis due to changing needs and circumstances. However, Clients are never obligated to use the RJFS or any other firm that the Adviser may suggest,

Sullivan & Associates charges an initial fee for this financial planning service. The amount of this fee can range but there is a minimum fee of \$2,000 in most cases. Individual stock portfolios are selected and monitored for 1.5% of assets under management. In lieu of initial and annual planning fees, Sullivan & Associates also offers to maintain selected individuals and businesses on a monthly or quarterly review for a retainer fee. Sullivan & Associates will also work on an hourly rate ranging from \$100 to \$400 dollars an hour to be determined by the nature and complexity of the work. If agreed upon, the hourly or retainer rate may be offset by the brokerage fees from related accounts. This is not automatic. These fees are negotiable dependent upon services desired and are payable after services have been provided; services may be terminated at any time.

ASSET MANAGEMENT SERVICES

Sullivan & Associates may provide investment advisory supervisory services, as investment adviser representatives with Raymond James Financial Services Advisors, Inc. ("RJFSA") under the following programs:

PASSPORT

The PASSPORT Account ("PASSPORT") is an investment advisory account, administered by Raymond James & Associates ("RJA"), which offers Clients, on a non-discretionary basis (or discretionary, provided certain qualifications are met), the ability to pay an advisory fee on the assets in their account and a nominal transaction charge in lieu of a commission for each transaction. These services are offered nationwide in all fifty states, the District of Columbia and Puerto Rico.

Generally, the Client's IAR provides investment advice on a non-discretionary basis. There is a minimum investment of \$25,000 for PASSPORT Accounts, although smaller accounts may be accepted based upon the specific circumstances of an account. The advisory fees for PASSPORT Accounts are as follows:

BLENDED RATE FEE SCHEDULE

PASSPORT Fee Investments:

Account Value	Total Fee
First \$500,000	1.50%
Over \$500,000	1.00%

THREE TIER ASSET CLASS FEE SCHEDULE**PASSPORT Fee Investments Excluding Open-Ended Mutual Funds, Cash and Bonds:**

Account Value	Total Fee
First \$200,000	1.75%
Next \$300,000	1.50%
Next \$500,000	1.00%
Over \$1,000,000	1.00%

PASSPORT Fee Investment Open-End Mutual Funds and Cash:

First \$100,000	1.75%
Next \$100,000	1.50%
Next \$300,000	1.25%
Next \$500,000	0.75%
Over \$1,000,000	0.75%

PASSPORT Fee Investment Bonds:

First \$100,000	1.50%
Next \$100,000	1.25%
Next \$300,000	1.00%
Next \$500,000	0.75%
Over \$1,000,000	0.75%
Over \$5,000,000	Negotiable

The annual asset-based fee is paid quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. If the account is opened in the third month of a quarter, the asset-based fee is billed based on the initial contribution for that month plus the account will be billed for the next quarter based on the initial contribution at the same time. Thereafter, the quarterly asset-based fee is paid in advance, is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day. Client authorizes and directs RJA as custodian to deduct asset-based fees from the Client's account; Client further authorizes and directs the custodian to send a quarterly statement to the Client which shows all amounts disbursed from Client's account, including fees paid to Sullivan & Associates. Client understands that the brokerage statement will show the amount of the asset-based fee, the value of the assets on which the fee was based, and the specific manner in which the fee was calculated.

Additionally, there is a nominal Processing Fee for the execution of each trade as follows:

<u>SECURITY TYPE</u>	<u>PROCESSING FEE</u>
Exchange Traded Equities: Listed and OTC	\$30
Closed End Mutual Funds	\$30
Exchange Traded Funds	\$30
Mutual Funds	\$30
Real Estate Investment Trusts/Unit Investment Trusts	\$30
Preferred Stocks	\$50
Options Contracts	\$50
Bonds	\$50

In addition to the above transaction charges, the Client will incur a charge in the amount of \$4.00 per transaction for handling and postage charges. The Client may also incur charges for other account services provided by RJA not directly related to the execution and clearing of transactions including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for legal or courtesy transfers of securities. The Adviser does not receive any of the fees for processing, handling, or postage. All of these fees belong to RJA.

Select fund companies have agreed to pay administrative fees to RJA in consideration for RJA's waiver of the \$30 Processing Fee assessed on certain Passport Account mutual fund purchases ("Participating Funds"). Raymond

James financial advisors, of which Sullivan & Associates is, one, do not receive any part of these payments. For a list of fund companies that have agreed to pay Raymond James servicing fees for eligible purchases of Participating Funds, please contact Sullivan & Associates.

The Client Agreement may be terminated by the Client or Adviser at any time upon providing notice pursuant to the Client Agreement. In the event of termination of this Agreement, the Adviser will refund to the Client the prorated portion of the fee for the quarter of termination.

AMBASSADOR

The AMBASSADOR Account (“AMBASSADOR”) is an investment advisory account administered by RJA, which offers Clients on a non-discretionary basis (or discretionary, provided certain qualifications are met), the ability to pay an advisory fee on the assets in their account.

Generally, the IAR provides investment advice on a non-discretionary basis. There is a minimum investment of \$100,000 for AMBASSADOR Accounts, although smaller accounts may be accepted based upon the specific circumstances of an account. The advisory fees for AMBASSADOR Accounts are as follows: (All fees are incremental)

Advisory Fee*

First \$200,000	2.00%
Next \$300,000	1.75%
Over \$500,000	1.25%

* Minimum annual asset-based fee per Account: \$1,500

Ambassador Account Clients will not pay any transaction charges, postage or handling fees for the first 50 trades per year, with the total number of transactions used being reset each year on October 1st (regardless of which month the account was first established). This might result in a conflict of interest as it could provide an incentive for an advisor to limit trading to no more than 50 trades during the 12 month period beginning annually on October 1st. Beginning on the 51st trade, transaction charges per trade will apply as follows*:

SECURITY TYPE PROCESSING FEE

<u>SECURITY TYPE</u>	<u>PROCESSING FEE</u>
Exchange Traded Equities: Listed and OTC	\$30
Closed End Mutual Funds	\$30
Exchange Traded Funds	\$30
Mutual Funds	\$30
Real Estate Investment Trusts/Unit Investment Trusts	\$30
Preferred Stocks	\$50
Options Contracts	\$50
Bonds	\$50

*In addition to the above transaction charges, a nominal fee for postage and handling for each transaction will be assessed.

The Client may also incur charges for other account services provided by RJA not directly related to the advisory, execution and clearing services provided; including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for legal or courtesy transfers of securities.

The annual asset-based fee is paid quarterly in advance. When an account is opened, the asset-based fee is billed for the remainder of the current billing period and is based on the initial contribution. Thereafter, the quarterly asset-based fee is paid in advance, is based on the account asset value on the last business day of the previous calendar quarter, and becomes due the following business day. The Client authorizes and directs RJA as custodian to deduct asset-based fees from the Client's account. The Client further authorizes and directs the custodian to send a quarterly statement to the Client which shows all amounts disbursed from Client's account, including fees paid to Sullivan &

Associates. The Client understands that the brokerage statement will show the amount of the asset-based fee, the value of the assets on which the fee was based, and the specific manner in which the fee was calculated.

The Investment Management Agreement may be terminated by the Client or Sullivan & Associates at any time upon providing written notice pursuant to the provisions of the Investment Management Agreement.

There is no penalty for terminating the Client's account. Upon termination, the Client will receive a refund of the portion of the prepaid asset-based fee which is not utilized. Sullivan & Associates will not accept instructions to terminate the Agreement unless such instructions are provided in writing by the Client.

RAYMOND JAMES CONSULTING SERVICES

Raymond James Consulting Services (RJCS), a division of RJA, provides the following services:

- selects portfolio managers ("sub-advisors") for the RJCS program,
- establishes custodial facilities,
- monitors performance of Client accounts,
- provides Clients with accounting and other administrative services and
- assists portfolio managers with certain trading activities.

Based upon the Client's financial needs and investment objectives, the IAR assists the Client in selecting an appropriate sub-advisor(s). The Investment Management Agreement is solely between RJA and the Client, and there is no direct agreement between the sub-advisor and the Client. Clients may contact the sub-advisor, but generally do so through their investment adviser representative ("IAR") or the RJCS Client Services Department.

The advisory fees for the RJCS are as follows:

Equity, Balanced and Convertible Disciplines

Advisory Fee

Accounts less than \$500,000	
First \$200,000	3.00%
Next \$300,000	2.50%
Accounts equal to or greater than \$500,000	
First \$500,000	2.50%
Next \$500,000	2.00%
Next \$1,000,000	1.60%
Next \$3,000,000	1.40%
Next \$5,000,000	1.30%
Greater than \$10,000,000	Negotiable

Fixed Income Disciplines

Advisory Fee

First \$500,000	1.25%
Next \$500,000	0.90%
Next \$1,000,000	0.80%
Next \$8,000,000	0.65%
Greater than \$10,000,000	Negotiable

Short Term Conservative Fixed Income Disciplines- Minimum Investment \$2,000,000

Advisory Fee

First \$5,000,000	0.60%
Next \$5,000,000	0.50%
Greater than \$10,000,000	0.40%

There generally is a minimum investment of \$100,000 for equity and balanced accounts, and \$200,000 for most fixed income accounts, although smaller accounts may be accepted based upon the specific circumstances of an account. Certain Managers may have a higher minimum investment. Minimum investments for each Manager's discipline participating in the RJCS program are available in the Investment Management Agreement.

Upon the selection of the Manager and investment discipline by the client, the client authorizes the Manager as sub-adviser to assume all investment duties with respect to assets held in the client's RJCS account and to exercise sole investment authority with respect to such assets. The Manager will thereafter invest and reinvest the assets of each account in such stocks, bonds, or other property of any kind as it deems is in the best interest of the client in order to achieve the investment objective(s) identified by the client, without regard to holding period, portfolio turnover or resulting gain or loss.

Investment of Cash Reserves

With respect to cash reserves of advisory Client accounts, the custodian of the account assets will determine where cash reserves are held. The custodian may offer one or multiple options to different account types (such as non-taxable and managed accounts). In addition, the custodian may, among other things, consider terms and conditions, risks and features, conflicts of interest, current interest rates, the manner by which future interest rates will be determined, and the nature and extent of insurance coverage (such as deposit protection from the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation). The custodian may change an investment option at any time by providing the Client with thirty (30) days advance written notice of such change, modification or amendment. As of October 2008, Cash Sweep Options include the Raymond James Bank Deposit Program ("RJBDP"), the Credit Interest Program ("CIP") sponsored by RJA, and the Eagle Cash Trust, including the money-market and municipal money-market fund, or any combination thereof.

Raymond James Bank is an affiliate of Registrant, and the interest rate it offers may differ from the yield on Eagle Cash Trust and the CIP, but Raymond James Bank generally earns more than the interest it pays on such balances. The Eagle Cash Trust money-market and municipal money-market fund both pay Eagle Asset Management, Inc. (also an affiliate) a fee for investment management and administrative services. Raymond James & Associates generally earns a higher rate of interest on CIP balances than the interest rate it pays on such balances. The income earned by Eagle Asset Management and RJA is in addition to the asset-based fees that Sullivan & Associates receives from these accounts.

Where an unaffiliated third party acts as custodian of account assets, Client and/or the custodian will determine where cash reserves are held.

Cash balances arising from the sale of securities, redemptions of debt securities, dividend and interest payments and funds received from customers are invested automatically on a daily basis. When securities are sold, funds are deposited on the day after settlement date. Funds placed in a Client's account by personal check usually will not be invested until the second business day following the day that the deposit is credited to the Client's account. Due to the foregoing practices, RJA may obtain federal funds prior to the date that deposits are credited to Client accounts and thus may realize some benefit because of the delay in investing such funds.

For further information please refer to the Cash Sweep Options disclosure statement, a copy of which is available from your IAR, or is available on the Raymond James public website, www.raymondjames.com.

Participants in the PASSPORT and AMBASSADOR programs may be entitled to a discounted asset-based fee if they maintain one or more related accounts within these programs.

Related Accounts are accounts of an individual, his or her spouse, and their children under the age of twenty-one. The term includes individually owned accounts, individual retirement accounts (IRAs), self-directed accounts (i.e., directed by individual participants) under an employee benefit plan (ERISA plan) and ERISA plan accounts in which an individual is the sole participant. Thus, Related Accounts of the PASSPORT and AMBASSADOR programs may be aggregated for advisory fee purposes, so that each account will pay a fee which is calculated on the basis of the total of all Related Accounts. It is the Client's responsibility to include all Related Accounts for purposes of qualifying for an aggregated account fee discount. While RJA may attempt to identify related accounts, it shall not be held responsible for failing to consider any related accounts not listed by the Client.

Cash Rule Conflict

Participants in the PASSPORT and AMBASSADOR programs with cash or money market investments which exceed 20% of the total market value of Client's account at the time of billing will be included for fee purposes only if the account did not exceed 20% in cash or money market investments at the end of the previous quarter.

Otherwise the balance in excess of 20% will not be included in the value of Client's account for fee purposes. If a participant in the IMPAC program has one or more related accounts, the 20% threshold is applied to the aggregate household cash value for fee purposes, not to each individual account as is done in PASSPORT and AMBASSADOR. This fee billing provision is intended to equitably assess advisory fees to Client assets for which an ongoing advisory service is being provided, and the exclusion of excess cash from the advisory fee is intended to benefit Clients holding substantial cash balances (as a percentage of the total individual account value) for an extended period of time. However, this provision may pose a financial disincentive to an IAR, as the portion of cash or money market investments will not be included in the asset-based fee charged to the account. This may cause an IAR to reallocate a Client account from cash or money market investments to advisory fee eligible investments in order to avoid the application of this provision and therefore receive a fee on the full asset value in a Client's account(s).

The aforementioned Cash Rule is applicable only to cash sweep balances and, therefore, non-sweep money market investments would not result in excess "cash" balances being excluded from the asset-based advisory fee calculation. As a result, non-sweep money market mutual fund investments are generally prohibited as an investment option in fee-based accounts. However, certain money market mutual funds may be approved as an investment option, but any such investments will only be assessed the standard Administrative-Only fee as long as those investments are held in a AMBASSADOR or PASSPORT account. No Administrative-Only fees are assessed to money market funds in an IMPAC account. The financial advisor will receive no fee-based compensation on these investments, but may receive compensation in the form of a 12(b)-1 fee or trail. Please contact your financial advisor for additional information.

For non-IRA/ERISA PASSPORT accounts, the Client's IAR may elect to absorb all or a portion of the Processing Fee. Certain open-end mutual funds which may be acquired by Clients, may, in addition to assessing management fees, internally assess a distribution fee pursuant to section 12(b)-1 of the Investment Company Act of 1940, or an administrative or service fee ("trail"). Such fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the fund prospectus. However, if the IAR elects to absorb the Processing Fees in *non-IRA/ERISA* accounts, they may also elect to receive trails paid by the fund company, if any, to defray the cost of the Processing Fees they absorb. If such an election is made, there may be a conflict of interest where the IAR may have an incentive to absorb all of the Processing Fees in consideration of the actual or anticipated trails they will receive.

Clients should understand that certificates of deposit (CDs) from Raymond James Bank may be purchased, with a commission, in the PASSPORT and AMBASSADOR programs. These CDs are considered non-billable assets for one year. Due to the financial adviser's affiliation with Raymond James Financial (NYSE-RJF) and Raymond James Bank, being a wholly owned subsidiary of Raymond James Financial, Inc. (NYSE-RJF), a potential conflict of interest may exist.

Clients should understand that the annual advisory fees charged in the PASSPORT and AMBASSADOR programs are in addition to the management fees and operating expenses charged by open-end, closed-end and exchange-traded funds. To the extent that a Client intends to hold fund shares for an extended period of time, it may be more economical for the Client to purchase fund shares outside of these programs. Clients may be able to purchase mutual funds directly from their respective fund families without incurring the Registrant's advisory fee. When purchasing directly from fund families, Clients may incur a front or back-end sales charge.

Clients should also understand that the shares of certain mutual funds offered in these programs may impose short-term trading charges (typically 1%-2% of the amount originally invested) for redemptions generally made within short periods of time. These short-term charges are imposed by the funds (and not Registrant) to deter "market timers" who trade actively in fund shares. Clients should consider these short-term trading charges when selecting the program and/or mutual funds in which they invest. These charges, as well as operating expenses and management fees, which may increase the overall cost to the Client by 1%-2% (or more), are available in each fund's prospectus.

Clients should also understand that certain no-load variable annuities may be offered in the PASSPORT and AMBASSADOR programs and may be charged an advisory fee. The annual advisory fees charged for these no-load variable annuities are in addition to the management fees and operating expenses charged by the insurance companies offering these products.

Clients should also understand that more sophisticated investment strategies such as short sells and margins may be offered in the PASSPORT and AMBASSADOR programs. Fees for advice and execution on these securities are based on the total asset value of the account. While a negative amount may show on a Client's statement for the margined security as the result of a lower net market value, the amount of the fee is based on the absolute market value. This could create a conflict of interest where an IAR may have an incentive to encourage the use of margin to create a higher market value and therefore receive a higher fee. The use of margin may also result in interest charges in addition to all other fees and expenses associated with the security involved. In the cases where margin debit interest is charged to a Client account, the IAR may receive a portion of the interest charged as a Controlled Asset Fee, presenting a potential conflict of interest.

A Client's total cost of each of the services provided through these programs, if purchased separately, could be more or less than the costs of each respective program. Cost factors may include the Client's ability to:

- 1) obtain the services provided within the programs separately with respect to the selection of mutual funds,
- 2) invest and rebalance the selected mutual funds without the payment of a sales charge, and
- 3) obtain performance reporting comparable to those provided within each program.

When making cost comparisons, Clients should be aware that the combination of multiple mutual fund investments, advisory services, custodial and brokerage services available through each program may not be available separately or may require multiple accounts, documentation and fees. If an account is actively traded or the Client otherwise may not qualify for reduced sales charges for fund purchases, the fees may be less expensive than separately paying the sales charges and advisory fees. If an account is not actively traded or the Client otherwise would qualify for reduced sales charges, the fees in these programs may be more expensive than if utilized separately.

The Client's IAR may have a financial incentive to recommend a fee-based advisory program rather than paying for investment advisory services, brokerage, performance reporting and other services separately. A portion of the annual advisory fee is paid to the Client's IAR, which may be more than the IAR would receive under an alternative program offering or if the Client paid for these services separately. Therefore, the Client's IAR may have a financial incentive to recommend a particular account program over another. IARs do not receive a financial incentive to recommend and sell proprietary mutual funds versus non-proprietary funds. However, because compensation structures vary by product type, IARs may receive higher compensation for certain product types. In addition, your IAR may receive incentive compensation for utilizing a particular account program.

Sullivan & Associates believes the charges and fees offered within each fee-based program are competitive with alternative programs available through other firms and/or investment sources, yet makes no guarantee that the aggregate cost of a particular program is lower than that which may be available elsewhere.

Clients can terminate all Sullivan & Associates /RJA advisory agreements within the first 5 days and all fees charged will be refunded.

IARs of the Adviser may receive other forms of compensation as a part of business activities unrelated to the Firm. These activities may create a conflict for the IAR. However, the Adviser has policies and procedures in place to recognize and appropriately deal with any conflicts that arise between the IAR's multiple capacities. These activities are discussed in *Item 10 Other Financial Industry Activities and Affiliations*.

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

Sullivan & Associates does not have performance-based fees or utilize side-by-side management. The only fees charged to Client are noted in *Item 5 Fees and Compensation*, as applicable.

Item 7 Types of *Clients*

The Adviser has the following types of Clients:

- Individuals
- Pension and profit sharing plans
- Trusts
- Estates
- Charitable organizations
- Corporations or other business entities not listed in the above

The Adviser does not require a minimum account balance for accounts. However, the programs administered by Raymond James may have account minimums. See *Item 5 Fees and Compensation* for information.

Item 8 Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

The Adviser uses the following methods of analysis in its Client accounts:

- Fundamental
- Technical
- Cyclical

Fundamental analysis examines:

- all the material factors of the security,
- the company,
- industry in which the company operates, and
- the economy

Technical/Cyclical analysis examines the supply and demand of the securities as evidenced by market activity.

The potential risks of using Fundamental analysis are that the IAR is using historical information, which may not predict the future outcome of a security. The potential risks of using Technical/Cyclical analysis are the quality of the information being used to support the analysis and no expectation of a change to a cycle.

The Adviser receives research from a variety of sources, including RJA and sources available for public viewing such as:

- Financial newspapers and magazines
- Research materials prepared by others
- Corporate rating services
- Annual reports, prospectuses, filings with the Securities Exchange Commission, and
- Company press releases

Investment Strategies

The Adviser typically employs the following types of investment strategies:

- Long term purchases (held for more than a year)
- Short term purchases (held for less than a year)

Clients investing in securities should be aware of the risks involved. Each investment strategy may entail unique risks including the possibility of incurring a loss. In a long term investment strategy, returns may be adversely affected by market downturns or inflation. A short term investment strategy is susceptible to current market volatility.

By its nature, financial planning looks to the long term. After Sullivan & Associates makes sure the Client's short-term cash needs, emergency funds, and insurance coverages are satisfied, they design investment strategies to help them achieve the Client's financial goals.

Sullivan & Associates typically offers the following types of investments:

- Equity securities (exchange listed, over-the-counter, and foreign issuers)
- Corporate debt securities (other than commercial paper)
- Commercial paper
- Certificates of deposits

- Municipal securities
- Investment company securities (variable life insurance, variable annuities, and mutual fund shares)
- U.S. government securities
- Options contracts on securities
- Interests in partnerships investing in real estate, oil and gas, and equipment leasing

Item 9 Disciplinary Information

Sullivan & Associates and its IARs do not have any disciplinary history.

Item 10 Other Financial Industry Activities and Affiliations

Sullivan & Associates has three (3) IARs: Patrick Sullivan, Kevin Sullivan, and Michael McVoy. All of these individuals have other financial industry activities and affiliations as noted below.

Securities Brokerage (Patrick Sullivan, Kevin Sullivan, and Michael McVoy)

IARs or related persons, in their individual capacity as Registered Representatives of Raymond James Financial Services, Inc., may be paid fees and/or commissions on securities transactions.

Commission charges may vary depending upon any number of factors, including type of security, purchase or sale, secondary market price, volume of trading, market float, and traded or listed exchange. The Adviser believes that commissions charged by RJFS are competitive with other full service broker-dealers and that they are fair and reasonable. Commissions charged by RJFS, while generally competitive, are not necessarily the lowest in the industry. Brokerage transactions are placed only through RJFS. There is an inherent potential conflict of interest in this arrangement in that Sullivan & Associates through its IARs or related persons who are Registered Representatives of RJFS may share in a percentage of the brokerage commissions.

Insurance Broker/Agent (Kevin Sullivan)

Sullivan & Associates and its IARs or related persons may have insurance company affiliations from which they receive commissions. Clients are under no obligation to execute recommendations relating to insurance and/or annuity products through the Adviser.

Investment Adviser Representative Raymond James Financial Services Advisors, Inc ("RJFSA") (Patrick and Kevin Sullivan)

Sullivan & Associates IARs may also be registered with RJFSA as IARs. IARs may provide services for programs which are administered by RJA as an IAR under RJFSA. These programs are described in *Item 5 Fees and Compensation*.

Real Estate Broker/Agent (Patrick Sullivan)

Sullivan & Associates and its IARs or related persons may have real estate broker/agent licenses from which they receive commissions.

Board of Directors- Non-Profit Organizations (Kevin Sullivan, and Michael McVoy)

From time to time the IARs of Sullivan & Associates may sit on the Boards of non-profit organizations.

The IARs of Sullivan & Associates spend a certain percentage of time on the above activities as noted below:

Patrick Sullivan- Approximately 25%

Kevin Sullivan- Approximately 25%

Michael McVoy- Approximately 35%

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

The Adviser strives to comply with all applicable laws and regulations governing its practices and has set forth guidelines for professional standards of conduct for its associated persons, the goal of which is to protect Client interests at all times and to demonstrate its commitment to its fiduciary duties of honesty, good faith, and fair dealing with Clients. All associated persons are expected to adhere strictly to these guidelines.

Pursuant to Rule 204A-1 under the Advisors Act, Sullivan & Associates has adopted a Code of Ethics. Sullivan & Associates monitors the personal securities transactions of its employees, officers, directors and investment advisor representatives. The Code of Ethics sets forth standards of conduct and addresses potential conflicts of interest among Sullivan & Associates, Sullivan & Associates personnel and Sullivan & Associates advisory Clients. All investment advisory Clients may request a copy of the Sullivan & Associates Code of Ethics by contacting the Sullivan & Associates at 719-576-4500.

From time to time, the Adviser or persons associated with the Adviser may buy or sell securities that are recommended to its Clients or securities in which its Clients are invested. It is the Adviser's policy that associated persons of shall not have priority over any Client account in the purchase or sale of securities.

Item 12

Brokerage Practices

The Adviser currently uses Raymond James as its custodian. However, IARs are registered representatives of RJFS and will recommend RJFS to advisory Clients for plan implementation and brokerage services. These individuals are subject to FINRA Conduct Rule 3040 that restrict them from conducting securities transactions away from RJFS. Therefore, Clients are advised that such IARs are limited to conducting securities transactions through RJFS. Implementation of the financial plan through such individuals would present a conflict of interest to the extent that associated persons of the Adviser would receive normal and customary commissions as registered representatives of RJFS or licensed insurance agents resulting from any securities or insurance transactions. It may be the case that RJFS charges a higher fee than another broker charges for a particular type of service, such as transaction fees. Clients may utilize the broker dealer of their choice and have no obligation to purchase or sell securities through RJFS. However, if the Client does not use RJFS, the IAR will reserve the right not to accept the account.

The custodian may have their own fee and cost schedules they are entitled to as a custodian of the account. These fees and costs are completely independent of the Adviser, and the Adviser does not receive any portion of these collected costs. Please see *Item 5 Fees and Compensation* for these costs.

RJA, as the custodian, is obligated to seek best execution for all trades; however, better executions may be available via another broker/dealer based on a number of factors including volume, order flow, and market making activity. By executing transactions with the above custodian, it is not guaranteed that a Client will receive the most favorable execution of their trades, which in turn may cost Clients more money.

Sullivan & Associates continuously reviews the accuracy, timeliness and execution of trades processed through RJFS. The Adviser selected RJFS for Client account custody and trade processing due to accessibility, electronic trading, efficient and professional service, technical support, and timely reporting to Clients. In addition, Client funds are fully covered through the excess SIPC coverage maintained by RJFS. RJFS prohibits the Adviser from utilizing any other broker-dealer for Client custody or securities trading. Sullivan & Associates periodically assesses the quality and value of the services offered by broker-dealers other than RJFS to assure that RJFS service and cost is fair and reasonable.

The Adviser's IARs and related persons may receive research information through its broker-dealer affiliation on securities, market, and economic conditions. Raymond James does not impose surcharges on Clients for research. However, Raymond James does seek to do investment banking and other business with some companies covered by its research. Raymond James complies with all securities laws and regulations to manage these potential conflicts of interest. Additionally, Raymond James does not require that IARs or related persons recommend any securities to Clients.

Item 13

Review of Accounts

Reviews are performed either by Patrick L. Sullivan, CFP® and/or Kevin P. Sullivan, CFA, CFP®, CIMC. All accounts are reviewed by both. The frequency of reviews is dependent upon two variables. First, the needs of the Client and, second, the level of service desired by the Client. A Client review may be triggered by the review schedule agreed upon by the Client such as quarterly, major changes in the financial condition of the Client, Client request, or a major change in economic conditions that would require a review.

At least quarterly, Clients receive a brokerage statement from the firm's custodian, Raymond James and Associates. The brokerage statement contains the cash balance, type, name and amount of each security, the current market value of each security, account activity for the period, and when available, the unrealized gain or loss of each security. The Client also receives a confirmation of each transaction from RJA, and if available and elected by the Client, a monthly or quarterly trade confirmation report.

Item 14

Client Referrals and Other Compensation

From time to time Sullivan & Associates and/or Raymond James may receive compensation in the form of sponsorship fees for seminars, meetings or conferences from product sponsors such as limited partnerships, mutual funds, insurance companies and annuity sponsors. Such sponsorship fees generally entitle the sponsor to an allotted presentation to IARs of the Adviser.

If Clients act upon IAR advice and chooses to use one of RJFS's affiliates as a money manager, custodian or to purchase insurance, the Adviser or its IAR may receive compensation in the form of commissions from the affiliate. If a Client chooses to use an IAR in his individual capacity as an insurance agent, the individual IAR will receive a commission. Additionally, if a Client purchases a mutual fund containing a 12b-1 fee, the Adviser and the IAR may receive such fee.

The IARs of Sullivan & Associates may also be compensated as IARs of RJFSA. The programs for which the IARs may be compensated are described in *Item 5 Fees and Compensation*. At no time will a Client pay more than what is described in this brochure as a result of this arrangement.

As part of its fiduciary duties to Clients, Sullivan & Associates endeavors at all times to put the interests of its investment advisory Clients first. Clients should be aware, however, that the receipt of economic benefits by the Adviser or its related persons in and of itself creates a potential conflict of interest.

Sullivan & Associates does not pay for or receive compensation for Client referrals.

Item 15

Custody

The Adviser does not have custody of Client's assets.

Item 16 Investment Discretion

The Adviser may have discretion in some Client's accounts. Sullivan & Associates may only have discretion in an account with written permission from the Client. If a Client wants to grant discretion in his/her account, the Client will give discretion in writing via an investment advisory contract.

Item 17 Voting *Client* Securities

Sullivan & Associates does not take any action or render any advice with respect to voting of proxies. Clients should receive their proxy materials from the custodian or transfer agent. However, in the event the Adviser receives such material, it will forward all proxy materials to Clients. Furthermore, the Adviser will not advise Clients on how to vote their proxies.

From time to time, securities held in the accounts of Clients will be the subject of class action lawsuits. The Firm will not determine if securities held by the Client are subject to a pending or resolved class action lawsuit. It will not evaluate a Client's eligibility or to submit a claim to participate in the proceeds of a securities class action settlement or verdict. Furthermore, the Firm will not initiate litigation to recover damages on behalf of Clients who may have been injured as a result of actions, misconduct, or negligence by corporate management of issuers whose securities are held by Clients.

Item 18 Financial Information

Sullivan & Associates does not have custody of Client's assets nor does seek prepayment of \$500 or more six (6) months or more in advance. It has not been subject to bankruptcy and knows of no reason that its financial condition would be impaired in meeting its contractual obligations to Clients.

Item 19 Requirements for State-Registered Advisers

Sullivan & Associates is registered with the state of Colorado, where its offices physically reside and the state of Texas. It has three (3) IARs. Below are their education and employment backgrounds. As the sole owner of Sullivan & Associates, Patrick Sullivan is ultimately responsible for the supervision of all IARs' activities. Kevin Sullivan also supervises IARs' activities. Any questions regarding the supervision of personnel should be directed to one of those two individuals at 719-576-4500.

Patrick L. Sullivan DOB: 1944

Education:

Patrick Sullivan received his B.S. degree in Business Administration from the University of Maryland in 1974 and his M.B.A. from Pepperdine University in 1977. Mr. Sullivan is a Certified Financial Planner® ("CFP®") and formerly a Certified Investment Management Consultant. Additionally, Mr. Sullivan the Series 7 (General Securities Representative), Series 24 (General Securities Principal), and Series 53 (Municipal Securities Principal) FINRA licenses and the Series 31 (Futures Managed Funds Examination) and Series 63 (Uniformed Securities Agent State Law Examination).

Business Background:

January 1981 to August 1989 - Mr. Sullivan worked as an account executive and branch manager for Integrated Resources Equity.

September 1984 to May 1993 - Mr. Sullivan worked as graduate faculty for Regis University.

August 1989 to Present - Mr. Sullivan works as a financial planner and Branch Manager for Raymond James Financial Services.

In order to obtain the CFP® designation, one must adhere to certain standards. The current requirements include: a bachelor's degree, three (3) years of full time relevant work experience, passing a rigorous examination, ongoing completion of continuing education, and meeting the CFP Board's ethics standards. All the other licenses noted above require the successful passing of examinations and ongoing continuing education.

Kevin P. Sullivan DOB: 1975

Education:

Kevin Sullivan received his B.S. degree in Finance and Information Systems from the University of Colorado at Boulder in 1997. Mr. Sullivan is a Chartered Financial Analyst ("CFA"), Certified Financial Planner® ("CFP®") and a Certified Investment Management Consultant ("CIMC"). Additionally, Mr. Sullivan the Series 7 (General Securities Representative), Series 24 (General Securities Principal), and Series 51 (Municipal Fund Securities Principal) FINRA licenses and the Series 31 (Futures Managed Funds Examination) and Series 63 (Uniformed Securities Agent State Law Examination). He also has his Colorado Resident Producer Life, Variable Products, Accident, and Health license.

Business Background:

August 1997 to August 1999 - Mr. Sullivan worked for the Process group of Andersen Consulting, LLC.

August 1999 to present - Mr. Sullivan works as a financial planner and Registered Representative for Raymond James Financial Services and has served as Co-Branch Manager since June 2008.

In order to obtain the CFP® designation, one must adhere to certain standards. The current requirements include: a bachelor's degree, three (3) years of full time relevant work experience, passing a rigorous examination, ongoing completion of continuing education, and meeting the CFP Board's ethics standards. To earn a CFA charter, one must have four years of qualified investment work experience, become a member of CFA Institute, pledge to adhere to the CFA Institute Code of Ethics and Standards of Professional Conduct on an annual basis, apply for membership to a local CFA member society, and complete the CFA Program, which includes multiple examinations. In order to become a CIMC, one must pass a rigorous examination, complete ongoing continuing education, and meet Investment Management Consultants Associations' ethical standards. All the other licenses noted above require the successful passing of examinations and ongoing continuing education.

Michael McVoy DOB: 1950

Education:

Choate School, Wallingford, CT 1964-1968

Trinity College, Hartford, CT 1968-1971

Mr. McVoy also holds his Series 7 (General Securities Representative) FINRA license and the Series 63 (Uniformed Securities Agent State Law Examination). These licenses require the successful passing of examinations and ongoing continuing education.

Business Background:

August 1984 to January 1987 - Mr. McVoy was a Registered Representative with Dain Bosworth.

January 1987 to March 1989 - Mr. McVoy was a Registered Representative with Dean Witter Reynolds.

November 1995 to January 2002 - Mr. McVoy was President of Aspen Times/Full Court Press.

March 1989 to Present - Mr. McVoy is a Registered Representative of Raymond James Financial Services.