

**Firm Brochure**  
(Part 2A of Form ADV)

**1. Cover Page**

**SICOR Securities, Inc.**

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Dayton, OH 45414  
937-890-3101**

This brochure provides information about the qualifications and business practices of SICOR Securities, Inc. (SICOR) If you have any questions about the contents of this brochure, please contact us at 937-890-3101 or email at: ops@sicor.biz. 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 the SICOR is available on the SEC's web site at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

We refer to ourselves as a "registered investment adviser". Registration does not imply a certain level of skill or training.

Dated Prepared: March 23, 2011

**2. Material Changes**

Material changes to the ADV Brochure in future years will be provided as a separate document to clients who have received previous versions of this brochure. This Disclosure Brochure has been revised and updated to reflect all material changes that occurred since the previous release of the Firm Brochure. The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring advisers to provide a Firm Brochure in narrative "plain English format. The new final rule specifies mandatory sections and organization.

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## **4. Advisory Business**

SICOR is a dually registered Investment Adviser and Broker-Dealer, SICOR was found in 1984, owned by TIS Holdings, Inc., the parent company, S & P Business Trust, Sara A. Merrick, trustee, and Gregory L. Merrick. The advisor assist clients in comprehensive, integrated financial planning, sometimes coordinating the efforts of others such as the attorney, accountant and insurance agent. This is known as "full financial planning". It can be described as the integration and coordination of a client's financial resources, needs and objectives. SICOR specializes in planning for individuals, corporations and employee benefit plans. We utilize the "team approach" in which the financial planner provides comprehensive, integrated financial planning, with the emphasis on coordinating the efforts of others.

A financial plan may be developed for each client in order to define specific, measurable financial goals.

Investment advice may be given as an integral part of the process or it may be obtained separately. Non comprehensive financial planning may be provided by SICOR's Registered Representatives, incidental to their practice, to brokerage services clients at no charge. All Investment advice is provided, with the client making the final decision on investment selection.

SICOR does not act as a custodian of client assets, clients assets are held at the custodian of their choice. The client always maintains asset control of their account, although it may be held at a clearing broker or other custodian.

We do not participate in wrap fee programs.

As of 03/21/2011 our assets under management were \$16,873,584 of which were assets managed on a discretionary basis and no assets managed on a non-discretionary basis.

The client may terminate within five (5) business days of contracting for services by written notice for a full refund of fees. Thereafter, fees will be prorated based on the date of termination by written notice. Fees for the various services provided are detailed in #5 Fee List.

## **5. Fees and Compensation**

Each client is billed quarterly in arrears to the account based on the account value on the last day of the preceding calendar quarter. For the first billing quarter, if the account is not opened at the beginning/end of a quarter, the fee will be based upon a pro-rata calculation of the aggregate market value of the client's assets to be managed.

Advisory fees will be taken first from fee credit balances or from any money market funds or balances. If such assets are insufficient to satisfy payment of such fees, a portion of the account assets will be liquidated to cover the fees. Such liquidation may affect the relative balances of the account.

### **A. Personal and Business Plans:**

All fees will be based on time to complete and complexity of comprehensive plan. One half due to start plan and balance is due upon delivery of plan. All plans are individually designed for each client, exclusive of capital gains or capital appreciation, a minimum of \$400.00 for each comprehensive plan.

These fees are separate from Investment Advisor fees and hourly rates.

1. Clients with a net worth less than \$75,000 and/or annual income below \$35,000, the suggested fee: \$400.
2. Clients with a net worth between \$75,000 and \$150,000 and/or annual income between \$35,000 and \$70,000; the suggested fee: \$600
3. Clients with a net worth between \$150,000 and \$500,000 and/or annual income between \$70,000 and \$150,000; the suggested fee: \$850

#### B. Investment Advisory Fees:

All fees are a percentage of moneys under management, which are collected quarterly are paid in arrears. Fees are based on complexity of the assets under management contract. A minimum management fee is \$ 1,000 per year. These fees are separate from financial fees and hourly rates.

| Market Value of Assets Managed | Rates per Annum |
|--------------------------------|-----------------|
| Up to \$100,000                | 1% to 2%        |
| Next \$200,000                 | 1% to 1.25%     |
| In Excess of \$300,000         | 75% to 1%       |

#### C. Hourly Rates:

Hourly rates are charged only when client services are not covered by planning fees. Client shall pay a rate as negotiated between Client and SICOR Such rate shall be a maximum of \$225 per hour, plus out-of-pocket expenses.

|                          |                   |
|--------------------------|-------------------|
| Senior Advisor Planner:  | \$175.00 per hour |
| Senior Planner:          | \$125.00 per hour |
| Planner Rates:           | \$ 90.00 per hour |
| Associate Planner Rates: | \$ 50.00 per hour |
| Para Planner Rates:      | \$ 35.00 per hour |

All fees are negotiable.

The client may terminate within five (5) business days of contracting for services by written notice for a full refund of fees. Thereafter, fees will be prorated based on the date of termination by written notice.

To terminate our investment services a written notice should be submitted at least one week prior to the actual termination date, which provides clear instruction on what the client wants done with their account (i.e., liquidate the account, finalize all transactions and/or cease all investment activity). Once the termination notice has been received and we have implemented the final instructions from the client, we are no longer responsible for the management of client assets. From the date that the termination goes into effect, the client becomes responsible for making their own investment decisions.

Any disputes that may arise regarding the management of the account and all services rendered by SICOR in connection with such management shall be subject to arbitration under the Securities Rules of the American Arbitration Association. Any such arbitration shall be before a panel of three arbitrators, at least one of whom shall be employed in the securities industry and be knowledgeable regarding the subject matter of the dispute. Any arbitration brought under this agreement shall be held in Montgomery County, Ohio and shall be governed by the laws of the State of Ohio.

Our fees do not include any bank fees, margin interest, wire transfer fees or other costs or fees associated with securities transactions charged by the custodian.

## **6. Performance-Based Fees and Side-By-Side Management**

SICOR does not charge performance-based fees, which are based on capital gains or capital appreciation of client assets in the client account.

## **7. Types of Clients**

SICOR generally provides advisory service to individuals, trusts, estates, charitable organizations, corporations, pension and profit sharing plans and other employee benefit plans.

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

The Planners utilizes a fundamental approach to making a determination of whether a security is a suitable investment for a client's goals and needs.

SICOR utilizes research and input provided by private economists, market and security analysts, financial newspapers and magazines, press releases, prospectuses, corporate annual reports, and research prepared by independent firms in determining a securities fundamental value. The investment strategies are implemented on a long and short term.

It is important that clients realize that risk of loss is possible with all securities and the client needs to be able to bear that loss. A risk assessment is done on the client to better understand his/her tolerance and appetite for risk, thus facilitating a better portfolio design. The Advisor will then help the client formulate his financial goals.

## **9. Disciplinary Information**

SICOR and its employees may have disclosure items list on the CRD system. These can be reviewed at FINRA BrokerCheck at <http://brokercheck.finra.org>. We encourage our prospective clients to fully research your advisor before entering into an agreement. An investment advisor must disclose material facts about any legal or disciplinary event that is material to a client's evaluation of the advisory business or of the integrity of its management personnel.

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

In addition to our status as a registered investment advisor, SICOR is an introducing broker-dealer regulated by Financial Industry Regulatory Authority (FINRA). See Item 5, **Fees and Compensation** for potential conflicts of interest.

SICOR has working relations with other broker-dealer, including but not limited to Sterne, Agee & Leach and TD Ameritrade Institutional. Associated company and persons of SICOR receive commissions and fees from the above listed companies when their respective financial products or services are utilized. SICOR considers factors such as timely execution, reporting capabilities and competitive cost structures when referring to other broker-dealers.

SICOR, via contractual relationships, solicits the management of client assets for several third party Registered Investment Advisors; Matson Money, Inc., Morningstar Investment Services, Inc. and Dunham & Associates Investment Counsel, Inc. which are providers of specialized client services including high net worth clients, asset allocation services, etc. Fees range from 50bp to 1.0%. SICOR is not a related person to any of the above identified companies.

Our professional staff is composed of individuals who have attained a high degree of expertise in their fields. Generally, although not always, a bachelor's degree is required of all professional employees and a M.B.A. or other advanced degree or equivalent professional designation in an appropriate field (e.g., economics, finance, law, mathematics, education) is preferred. We generally seek graduates with a prior business experience.

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

SICOR maintains a Code of Ethics. The Code of Ethics sets forth standards of conduct expected of our employees, officers and directors. A copy of the SICOR's Code of Ethics is available for review upon request.

Registered Representatives or Brokers affiliated with SICOR may affect securities transactions for clients and may be compensated through commissions and/or fees. Client securities transactions are internally restricted through procedures used by SICOR requiring management approval of each and every security transaction at the local office level. In addition, SICOR has internal policies and procedures to notify clients of conflicts of interest when appropriate.

SICOR or individuals associated with SICOR may buy or sell securities identical to those recommended by SICOR and the independent managers to customers for their personal accounts. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of SICOR that no person employed by SICOR may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, and therefore, preventing such employees from benefiting from transactions placed on behalf of advisory accounts.

As these situations represent a conflict of interest, SICOR has established the following restrictions in order to ensure its fiduciary responsibilities:

- A. A director, officer or employee of SICOR shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public or reasonable inquiry. No person of SICOR shall prefer his or her own interest to that of the advisory client.
- B. SICOR maintains a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of SICOR.
- C. All clients are fully informed that certain individuals may receive separate compensation when affecting insurance transactions during the implementation process.
- D. SICOR emphasizes the unrestricted right of the client to decline to implement any advice rendered.
- E. SICOR requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- F. Any individual not in observance of the above may be subject to termination.

SICOR may effect securities transactions for compensation for any client. Clients should be aware that securities purchased in corporate or employee accounts may or may not meet the same criteria as those used in advice provided to clients.

## **12. Brokerage Practices**

We do not select or recommend broker-dealers for client transactions in individually managed accounts. We give our clients the option of using the services of SICOR an introducing broker-dealer that clears its transactions on a fully disclosed basis through Sterne, Agee & Leach or another broker-dealer of their choosing. Our goal is to obtain best execution for each client transaction

Clients with individually managed accounts may elect to have their assets held at the custodian of their choice.

We do not participate in wrap fee programs.

## **13. Review of Accounts**

The financial planner develops a mutual understanding with each client in areas such as: client's objectives, balance of risk, return potentials, diversification ranges, performance standards, expectations, risk tolerance, and any financial or investment restrictions or restraint that might apply. Working within these guidelines, the financial planner evaluates the appropriateness of particular securities in an effort

to develop and maintain a financial strategy and portfolio structured to meet the client's goals. Financial planners have primary responsibility for reviewing client accounts annually or at client's request.

SICOR does not custody client assets. The custodian provides the client with account statements and transaction confirmations.

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

SICOR may compensate third parties for referrals of clients. Advisors may also be licensed as insurance or securities representatives and affect, if appropriate, insurance and/or securities transactions for the client and receive fully disclosed commissions.

Referral Compensation:

SICOR may directly compensate persons for client referrals, provided that those persons are qualified and have entered an agreement with SICOR. Under such arrangements, the client will be provided full disclosure of the compensation paid to the solicitor and whether such referral will result in higher management fees.

#### **15. Custody**

SICOR does not serve as a custodian for client funds or securities. All assets are held at qualified custodians, the custodians provide account statements directly to clients at their address of record or elect to receive them in paperless form through the internet at least quarterly.

The Client is urged to review custodial account statements for accuracy. Minor variations may occur because of reporting dates, accrual methods of interest and dividends, and other factors. The custodial statement is the official record of your account for tax purposes

#### **16. Investment Discretion**

Pursuant to the discretionary authority granted SICOR, we generally determine which securities are purchased and sold for client accounts as well as the amount. Such transactions are restricted to execution through the custodian chosen by the client and our authority may be further limited by specific instructions from the client.

SICOR does not have the discretionary authority to determine the broker/dealer to be used or the commission rates to be paid. The choice of brokerage firm to act as the custodian over each client account will always be approved by the client

SICOR does not have authority to withdraw funds or to take custody of client funds or securities, other than under the terms of the Fee Payment Authorization clause in the Agreement with the client.

Virtually all of our client assets are managed on a discretionary basis. Clients opening discretionary accounts are required to execute an investment advisory agreement that, among other things, grants us the authority to manage their assets on a discretionary basis. Clients must establish their own custodial arrangements and provide the custodian with a letter granting us the authority to manage their assets. Clients can ask us to use a broker other than SICOR, by opening a brokerage account with the broker of their choice and providing us with written instructions that includes account information. Clients that



wish to restrict us from using their assets to invest in certain companies or types of companies should provide us with written instructions containing a list of the restricted companies

### Investment Services Benefits & Conflicts

There are potential conflicts of interest when SICOR and its RAs suggest the need for outside consultations and coordination (i.e., attorneys, CPAs) to implement certain aspects of an estate or tax plan. Even though SICOR does not share in any fees earned by the attorneys or CPA when implementing an estate or tax plan, those entities to which SICOR refers business do earn fees. This creates incentive on the part of SICOR and the RA to refer client business to only those entities that in turn refer potential clients to SICOR. This can eliminate the possibility for the client to be referred to someone who may provide better services at lower cost. Therefore, to ensure clients understand the full relationship of SICOR to any related parties that SICOR may refer business, as well as the choices and risks clients have in receiving investment services, the following disclosures are provided:

- A. Clients may choose any broker/dealer to execute their securities transactions.
- B. Investments involve risk and some investment decisions will result in losses.
- C. Clients should understand that SICOR cannot guarantee that their investment objectives will be achieved by working with us.
- D. Clients are under no obligation to have any related parties that SICOR recommends prepare planning documents (i.e., estate, retirement, tax, etc...).
- E. Clients are free to choose those entities to implement any recommendations.
- F. SICOR does not receive any economic benefit from referring clients to another professional without first notifying the client of such possibilities. SICOR acts completely in a fiduciary capacity – **the interests of the client are first and foremost.**

Notwithstanding such potential conflicts of interest, SICOR strives to serve the best interest of the client; as well as, ensuring such disclosure is being properly made to clients in compliance with the Investment Advisor Act of 1940, Rule 275.206.

## 17. Voting Client Securities

SICOR does not vote proxies. Clients understand and agree that the client retains the right to vote all proxies. Clients will receive proxy materials directly from the custodian. Any proxy solicitations received at SICOR's place of business will be immediately forwarded to the client for their evaluation and decision. Clients are encouraged to call us if they have questions regarding the voting of proxies.

## **18. Financial Information**

SICOR maintains net capital balances and submits FOCUS Report's (financial report) to FINRA. As required by the SEC, SICOR has a full audit performed annually by a PCAOB registered accounting firm. Copies are available on request.

As a matter of policy the firm does not risk its capital. Firm assets are maintained in insured bank deposit accounts and CD's. SICOR is not currently engaged in any litigation or arbitration.

SICOR does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because SICOR does not serve as a custodian for client funds or securities, and does not require prepayment of fees of more than \$600 per client, and six months or more in advance.

## **19. Requirements for State-Registered Advisers**

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

SICOR requires the advisors providing investment advice have experience and demonstrate knowledge of financial planning and investment management. The Advisors is required be an Investment Advisor Representative meeting the registration requirements of their applicable state.

Gregory L. Merrick is responsible for the leadership and direction of the SICOR, as well as, ensuring the investment activities are being performed to the expectations of the clients.

#### **Gregory L. Merrick**

##### **Education Background:**

CRD # 2933448

Date of birth: 11/18/1963

Wright State University-Business Administration 1987

Embry Riddle Aeronautical- Private Pilot License 1983

##### **Business:**

Licensed in 1997: He is the President, CFO and owns shares for both the Registered Advisor and the FINRA Broker Dealer. He has been continuously licensed since 1997, and holds a Series 7, 24, 27, 63, and 65 licenses. As President of the firm, he manages all of the financial aspects of the firm and functions in both principal and compliance duties.