

# Sequentis Capital Advisors Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Sequentis Capital Advisors. If you have any questions about the contents of this brochure, please contact us at (717) 533-4070 or by email at: [jmt5049@gmail.com](mailto:jmt5049@gmail.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.*

*Additional information about Sequentis Capital Advisors is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Sequentis Capital Advisors's CRD number is: 309006.*

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*Registration as an investment adviser does not imply a certain level of skill or training.*

Version Date: 4/16/2020

## **Item 2: Material Changes**

Sequentis Capital Advisors has not yet filed an annual updating amendment using the Form ADV Part 2A. Therefore, there are no material changes to report.

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## **Item 4: Advisory Business**

### **A. Description of the Advisory Firm**

Sequentis Capital Advisors LLC (hereinafter “SCA”) is a Limited Liability Company organized in the State of Delaware. The firm was formed in April 2020, and the principal owner is Jonathan Michael Turner.

### **B. Types of Advisory Services**

#### ***Portfolio Management Services***

SCA offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. SCA creates an Investment Policy Statement for each client, which outlines the client’s current situation (income, tax levels, and risk tolerance levels). Portfolio management services include, but are not limited to, the following:

- Investment strategy
- Asset allocation
- Risk tolerance
- Personal investment policy
- Asset selection
- Regular portfolio monitoring

SCA evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. SCA will request discretionary authority from clients in order to select securities and execute transactions without permission from the client prior to each transaction. Risk tolerance levels are documented in the Investment Policy Statement, which is given to each client.

SCA seeks to provide that investment decisions are made in accordance with the fiduciary duties owed to its accounts and without consideration of SCA’s economic, investment or other financial interests. To meet its fiduciary obligations, SCA attempts to avoid, among other things, investment or trading practices that systematically advantage or disadvantage certain client portfolios, and accordingly, SCA’s policy is to seek fair and equitable allocation of investment opportunities/transactions among its clients to avoid favoring one client over another over time. It is SCA’s policy to allocate investment opportunities and transactions it identifies as being appropriate and prudent among its clients on a fair and equitable basis over time.

#### ***Selection of Other Advisers***

SCA may direct clients to third-party investment advisers to manage all or a portion of the client's assets. Before selecting other advisers for clients, SCA will always ensure those other advisers are properly licensed or registered as an investment adviser. SCA conducts due diligence on any third-party investment adviser, which may involve one or more of

the following: phone calls, meetings and review of the third-party adviser's performance and investment strategy. SCA then makes investments with a third-party investment adviser by referring the client to the third-party adviser. SCA may also allocate among one or more private equity funds or private equity fund advisers. SCA will review the ongoing performance of the third-party adviser as a portion of the client's portfolio.

### ***Financial Planning***

Financial plans and financial planning may include, but are not limited to: investment planning; life insurance; tax concerns; retirement planning; college planning; and debt/credit planning.

### ***On-going Financial Planning***

On-going financial planning services may include:

1. Initial Consultation (Free)
  - a. Assess current financial situation and discuss the financial planning process and my services
2. Detailed meeting to go through Clients financial situation in depth and better understanding of client's financial goals and concerns
3. Client Recommendation Meeting
  - a. Delivery of a financial plan including current net worth (Balance Sheet), goals, action items and more.
  - b. Recommendations
  - c. Client walkthrough of plan and any questions

Included in the ongoing plan:

1. Biannual check ins with clients to assess financial plan, implementation of the plan, limitations, adjustments needed, and assess new variables in a client's financial picture.
2. End of Year meeting to discuss financial plan
3. A new/updated financial plan annually

### ***Services Limited to Specific Types of Investments***

SCA generally limits its investment advice to mutual funds, fixed income securities, real estate funds (including REITs), insurance products including annuities, equities, private equity funds, ETFs (including ETFs in the gold and precious metal sectors), treasury inflation protected/inflation linked bonds, venture capital funds and private placements. SCA may use other securities as well to help diversify a portfolio when applicable.

## **C. Client Tailored Services and Client Imposed Restrictions**

SCA offers the same suite of services to all of its clients. However, specific client investment strategies and their implementation are dependent upon the client Investment

Policy Statement which outlines each client's current situation (income, tax levels, and risk tolerance levels). Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent SCA from properly servicing the client account, or if the restrictions would require SCA to deviate from its standard suite of services, SCA reserves the right to end the relationship.

#### **D. Wrap Fee Programs**

A wrap fee program is an investment program where the investor pays one stated fee that includes management fees, transaction costs, fund expenses, and other administrative fees. SCA does not participate in any wrap fee programs.

#### **E. Assets Under Management**

SCA has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$0	\$0	April 2020

### **Item 5: Fees and Compensation**

#### **A. Fee Schedule**

##### *Portfolio Management Fees*

Total Assets Under Management	Annual Fees
All Assets	1.50%

SCA uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

The final fee schedule will be memorialized in the client's advisory agreement. Clients may terminate the agreement without penalty for a full refund of SCA's fees within five business days of signing the Investment Advisory Contract. Thereafter, clients may terminate the Investment Advisory Contract generally with 30 days' written notice.

### ***Selection of Other Advisers Fees***

SCA will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be memorialized in each contract between SCA and each third-party adviser. The fees shared will not exceed any limit imposed by any regulatory agency.

SCA may direct clients to Invariant Investment Management. The annual fee schedule is as follows:

<b>Total Assets Under Management</b>	<b>SCA's Fee</b>	<b>Third Party's Fee</b>	<b>Total Fee</b>
All Assets	1.25%	.25%	1.50%

SCA uses an average of the daily balance in the client's account throughout the billing period, after taking into account deposits and withdrawals, for purposes of determining the market value of the assets upon which the advisory fee is based.

These fees are negotiable.

### ***Financial Planning Fees***

#### **Fixed Fees**

The fixed rate for creating client financial plans is between \$1,500 and \$48,000.

#### ***On-going Financial Planning Fees***

#### **Fixed Fees**

The fixed fee for these services is \$125. Fees are paid monthly advance.

Clients may terminate the agreement without penalty, for full refund of SCA's fees, within five business days of signing the Financial Planning Agreement. Thereafter, clients may terminate the Financial Planning Agreement generally upon written notice.

### **B. Payment of Fees**

#### ***Payment of Portfolio Management Fees***

Asset-based portfolio management fees are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in advance.

### ***Payment of Selection of Other Advisers Fees***

Fees for selection of Invariant Investment Management as third-party adviser may be invoiced and billed directly to the client. Fees are paid monthly in advance.

### ***Payment of Financial Planning Fees***

Financial planning fees are paid via check and wire.

Fixed financial planning fees are paid 25% in advance, but never more than six months in advance, with the remainder due upon presentation of the plan.

### ***Payment of On-going Financial Planning Fees***

#### **Fixed Fees**

On- going Financial planning fees are paid via check, credit card, ACH. Fees are paid monthly in advance.

### **C. Client Responsibility For Third Party Fees**

Clients are responsible for the payment of all third party fees (i.e. custodian fees, brokerage fees, mutual fund fees, transaction fees, etc.). Those fees are separate and distinct from the fees and expenses charged by SCA. Please see Item 12 of this brochure regarding broker-dealer/custodian.

### **D. Prepayment of Fees**

For all asset based fees paid in advance, the fee refunded will be equal to the balance of the fees collected in advance minus the daily rate\* times the number of days elapsed in the billing period up to and including the day of termination. (\*The daily rate is calculated by dividing the annual asset-based fee by 365.)

Fixed fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination.

### **E. Outside Compensation For the Sale of Securities to Clients**

Neither SCA nor its supervised persons accept any compensation for the sale of investment products, including asset-based sales charges or service fees from the sale of mutual funds.



## Item 6: Performance-Based Fees and Side-By-Side Management

SCA does not accept performance-based fees or other fees based on a share of capital gains on or capital appreciation of the assets of a client.

## Item 7: Types of Clients

SCA generally provides advisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

There is no account minimum for any of SCA's services.

## Item 8: Methods of Analysis, Investment Strategies, & Risk of Loss

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

SCA's methods of analysis include Charting analysis, Fundamental analysis, Quantitative analysis and Technical analysis.

**Charting analysis** involves the use of patterns in performance charts. SCA uses this technique to search for patterns used to help predict favorable conditions for buying and/or selling a security.

**Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.

**Quantitative analysis** deals with measurable factors as distinguished from qualitative considerations such as the character of management or the state of employee morale, such as the value of assets, the cost of capital, historical projections of sales, and so on.

**Technical analysis** involves the analysis of past market data; primarily price and volume.

#### *Investment Strategies*

SCA uses long term trading and short term trading.

Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.

## **B. Material Risks Involved**

### *Methods of Analysis*

**Charting analysis** strategy involves using and comparing various charts to predict long and short term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. Using charting analysis without other methods of analysis would be making the assumption that past performance will be indicative of future performance. This may not be the case.

**Fundamental analysis** concentrates on factors that determine a company's value and expected future earnings. This strategy would normally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Quantitative analysis** Investment strategies using quantitative models may perform differently than expected as a result of, among other things, the factors used in the models, the weight placed on each factor, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns and if these patterns can be identified then a prediction can be made. The risk is that markets do not always follow patterns and relying solely on this method may not take into account new patterns that emerge over time.

### *Investment Strategies*

**Long term trading** is designed to capture market rates of both return and risk. Due to its nature, the long-term investment strategy can expose clients to various types of risk that will typically surface at various intervals during the time the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Selection of Other Advisers:** Although SCA will seek to select only money managers who will invest clients' assets with the highest level of integrity, SCA's selection process cannot ensure that money managers will perform as desired and SCA will have no control over the day-to-day operations of any of its selected money managers. SCA would not necessarily be aware of certain activities at the underlying money manager level, including without limitation a money manager's engaging in unreported risks, investment "style drift" or even regulatory breaches or fraud.

**Short term trading** risks include liquidity, economic stability, and inflation, in addition to the long term trading risks listed above. Frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

**Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

### **C. Risks of Specific Securities Utilized**

Clients should be aware that there is a material risk of loss using any investment strategy. The investment types listed below (leaving aside Treasury Inflation Protected/Inflation Linked Bonds) are not guaranteed or insured by the FDIC or any other government agency.

**Mutual Funds:** Investing in mutual funds carries the risk of capital loss and thus you may lose money investing in mutual funds. All mutual funds have costs that lower investment returns. The funds can be of bond “fixed income” nature (lower risk) or stock “equity” nature.

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends and/or capital gains if the value of the stock increases. The value of equity securities may fluctuate in response to specific situations for each company, industry conditions and the general economic environments.

**Fixed income** investments generally pay a return on a fixed schedule, though the amount of the payments can vary. This type of investment can include corporate and government debt securities, leveraged loans, high yield, and investment grade debt and structured products, such as mortgage and other asset-backed securities, although individual bonds may be the best known type of fixed income security. In general, the fixed income market is volatile and fixed income securities carry interest rate risk. (As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities.) Fixed income securities also carry inflation risk, liquidity risk, call risk, and credit and default risks for both issuers and counterparties. The risk of default on treasury inflation protected/inflation linked bonds is dependent upon the U.S. Treasury defaulting (extremely unlikely); however, they carry a potential risk of losing share price value, albeit rather minimal. Risks of investing in foreign fixed income securities also include the general risk of non-U.S. investing described below.

**Exchange Traded Funds (ETFs):** An ETF is an investment fund traded on stock exchanges, similar to stocks. Investing in ETFs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Areas of concern include the lack of transparency in products and increasing complexity, conflicts of interest and the possibility of inadequate regulatory compliance. Risks in investing in ETFs include trading risks, liquidity and shutdown risks, risks associated with a change in authorized participants and non-participation of authorized participants, risks that trading price

differs from indicative net asset value (iNAV), or price fluctuation and disassociation from the index being tracked. With regard to trading risks, regular trading adds cost to your portfolio thus counteracting the low fees that one of the typical benefits of ETFs. Additionally, regular trading to beneficially “time the market” is difficult to achieve. Even paid fund managers struggle to do this every year, with the majority failing to beat the relevant indexes. With regard to liquidity and shutdown risks, not all ETFs have the same level of liquidity. Since ETFs are at least as liquid as their underlying assets, trading conditions are more accurately reflected in implied liquidity rather than the average daily volume of the ETF itself. Implied liquidity is a measure of what can potentially be traded in ETFs based on its underlying assets. ETFs are subject to market volatility and the risks of their underlying securities, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments (as applicable). Foreign securities in particular are subject to interest rate, currency exchange rate, economic, and political risks, all of which are magnified in emerging markets. ETFs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility, as well as to the specific risks associated with that sector, region, or other focus. ETFs that use derivatives, leverage, or complex investment strategies are subject to additional risks. Precious Metal ETFs (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares” not physical metal) specifically may be negatively impacted by several unique factors, among them (1) large sales by the official sector which own a significant portion of aggregate world holdings in gold and other precious metals, (2) a significant increase in hedging activities by producers of gold or other precious metals, (3) a significant change in the attitude of speculators and investors. The return of an index ETF is usually different from that of the index it tracks because of fees, expenses, and tracking error. An ETF may trade at a premium or discount to its net asset value (NAV) (or indicative value in the case of exchange-traded notes). The degree of liquidity can vary significantly from one ETF to another and losses may be magnified if no liquid market exists for the ETF’s shares when attempting to sell them. Each ETF has a unique risk profile, detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

**Real estate** funds (including REITs) face several kinds of risk that are inherent in the real estate sector, which historically has experienced significant fluctuations and cycles in performance. Revenues and cash flows may be adversely affected by: changes in local real estate market conditions due to changes in national or local economic conditions or changes in local property market characteristics; competition from other properties offering the same or similar services; changes in interest rates and in the state of the debt and equity credit markets; the ongoing need for capital improvements; changes in real estate tax rates and other operating expenses; adverse changes in governmental rules and fiscal policies; adverse changes in zoning laws; the impact of present or future environmental legislation and compliance with environmental laws.

**Annuities** are a retirement product for those who may have the ability to pay a premium now and want to guarantee they receive certain monthly payments or a return on investment later in the future. Annuities are contracts issued by a life insurance company designed to meet requirement or other long-term goals. An annuity is not a life insurance policy. Variable annuities are designed to be long-term investments, to meet retirement

and other long-range goals. Variable annuities are not suitable for meeting short-term goals because substantial taxes and insurance company charges may apply if you withdraw your money early. Variable annuities also involve investment risks, just as mutual funds do.

**Private equity** funds carry certain risks. Capital calls will be made on short notice, and the failure to meet capital calls can result in significant adverse consequences, including but not limited to a total loss of investment.

**Private placements** carry a substantial risk as they are subject to less regulation than are publicly offered securities, the market to resell these assets under applicable securities laws may be illiquid, due to restrictions, and the liquidation may be taken at a substantial discount to the underlying value or result in the entire loss of the value of such assets.

**Venture capital funds** invest in start-up companies at an early stage of development in the interest of generating a return through an eventual realization event; the risk is high as a result of the uncertainty involved at that stage of development.

**Past performance is not indicative of future results. Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.**

## **Item 9: Disciplinary Information**

### **A. Criminal or Civil Actions**

There are no criminal or civil actions to report.

### **B. Administrative Proceedings**

There are no administrative proceedings to report.

### **C. Self-regulatory Organization (SRO) Proceedings**

There are no self-regulatory organization proceedings to report.

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

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither SCA nor its representatives are registered as, or have pending applications to become, a broker/dealer or a representative of a broker/dealer.

## **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither SCA nor its representatives are registered as or have pending applications to become either a Futures Commission Merchant, Commodity Pool Operator, or Commodity Trading Advisor or an associated person of the foregoing entities.

## **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

Jonathan Michael Turner is CIO of Clarus Merchant Services. He facilitates the creation of new portfolios that pool investor assets to acquire merchant portfolio residual income streams. As CIO his role is to not only help in the construction and execution of new investment portfolios but to also assist in the on boarding of new investor assets. Jonathan Michael Turner is compensated with a salary via W2 income from Clarus on a semi-monthly basis. This is a full time position. From time to time, may offer clients advice or products from those activities and clients should be aware that these services may involve a conflict of interest. SCA always acts in the best interest of the client and clients are in no way required to utilize the services of any representative of SCA in connection with such individual's activities outside of SCA.

Jonathan Michael Turner is owner and consultant of NextFaze, LLC. This is a consulting firm that offers social media consulting and exposure to a book authored by Jonathan Michael Turner titled Stop Faking it, Start Making It.

## **D. Selection of Other Advisers or Managers and How This Adviser is Compensated for Those Selections**

SCA may direct clients to third-party investment advisers to manage all or a portion of the client's assets. SCA will be compensated via a fee share from the advisers to which it directs those clients. This relationship will be memorialized in each contract between SCA and each third-party advisor. The fees shared will not exceed any limit imposed by any regulatory agency. This creates a conflict of interest in that SCA has an incentive to direct clients to the third-party investment advisers that provide SCA with a larger fee split. SCA will always act in the best interests of the client, including when determining which third-party investment adviser to recommend to clients. SCA will ensure that all recommended advisers are licensed or notice filed in the states in which SCA is recommending them to clients.

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

### **A. Code of Ethics**

SCA has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Recordkeeping, Annual Review, and Sanctions. SCA's Code of Ethics is available free upon request to any client or prospective client.

### **B. Recommendations Involving Material Financial Interests**

SCA and its associated persons may have material financial interests in issuers of securities that SCA may recommend for purchase or sale by clients.

For example: Acting CIO of a private investment fund that we may recommended to clients should the fund suit their investment needs and risk tolerance.

This presents a conflict of interest in that SCA or its related persons may receive more compensation from investment in a security in which SCA or a related person has a material financial interest than from other investments. Client approval will be sought for client investment in such recommendations and, if granted, such approval will be binding. SCA always acts in the best interest of the client consistent with its fiduciary duties and clients are not required invest in such investments if they do not wish to do so.

### **C. Investing Personal Money in the Same Securities as Clients**

From time to time, representatives of SCA may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SCA to buy or sell the same securities before or after recommending the same securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest. SCA will always document any transactions that could be construed as conflicts of interest and will never engage in trading that operates to the client's disadvantage when similar securities are being bought or sold.



## **D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, representatives of SCA may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SCA to buy or sell securities before or after recommending securities to clients resulting in representatives profiting off the recommendations they provide to clients. Such transactions may create a conflict of interest; however, SCA will never engage in trading that operates to the client's disadvantage if representatives of SCA buy or sell securities at or around the same time as clients.

## **Item 12: Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Custodians/broker-dealers will be recommended based on SCA's duty to seek "best execution," which is the obligation to seek execution of securities transactions for a client on the most favorable terms for the client under the circumstances. Clients will not necessarily pay the lowest commission or commission equivalent, and SCA may also consider the market expertise and research access provided by the broker-dealer/custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the brokers that may aid in SCA's research efforts. SCA will never charge a premium or commission on transactions, beyond the actual cost imposed by the broker-dealer/custodian.

SCA will require clients to use Schwab Institutional, a division of Charles Schwab & Co., Inc.

#### ***1. Research and Other Soft-Dollar Benefits***

While SCA has no formal soft dollars program in which soft dollars are used to pay for third party services, SCA may receive research, products, or other services from custodians and broker-dealers in connection with client securities transactions ("soft dollar benefits"). SCA may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client's transactions paid for it, and SCA does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. SCA benefits by not having to produce or pay for the research, products or services, and SCA will have an incentive to recommend a broker-dealer based on receiving research or services. Clients should be aware that SCA's acceptance of soft dollar benefits may result in higher commissions charged to the client.



## ***2. Brokerage for Client Referrals***

SCA receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

SCA will require clients to use a specific broker-dealer to execute transactions. Not all advisers require clients to use a particular broker-dealer.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

SCA does not aggregate or bunch the securities to be purchased or sold for multiple clients. This may result in less favorable prices, particularly for illiquid securities or during volatile market conditions.

## **Item 13: Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

All client accounts for SCA's advisory services provided on an ongoing basis are reviewed at least Monthly by Jonathan M Turner, CEO, with regard to clients' respective investment policies and risk tolerance levels. All accounts at SCA are assigned to this reviewer.

Financial planning accounts are reviewed upon financial plan creation and plan delivery by Jonathan M Turner, CEO. Financial planning clients are provided a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

With respect to financial plans, SCA's services will generally conclude upon delivery of the financial plan.

### **C. Content and Frequency of Regular Reports Provided to Clients**

Each client of SCA's advisory services provided on an ongoing basis will receive a monthly report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. SCA will also provide at least quarterly a separate written statement to the client.

Each financial planning client will receive the financial plan upon completion.

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

### **A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

SCA may receive compensation in connection with its use of third-party advisers.

With respect to Schwab, SCA receives access to Schwab's institutional trading and custody services, which are typically not available to Schwab retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the adviser's clients' assets are maintained in accounts at Schwab Advisor Services. Schwab's services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. For SCA client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to SCA other products and services that benefit SCA but may not benefit its clients' accounts. These benefits may include national, regional or SCA specific educational events organized and/or sponsored by Schwab Advisor Services. Other potential benefits may include occasional business entertainment of personnel of SCA by Schwab Advisor Services personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist SCA in managing and administering clients' accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts, if applicable), provide research, pricing information and other market data, facilitate payment of SCA's fees from its clients' accounts (if applicable), and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be

used to service all or some substantial number of SCA's accounts. Schwab Advisor Services also makes available to SCA other services intended to help SCA manage and further develop its business enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to SCA by independent third parties. Schwab Advisor Services may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to SCA. SCA is independently owned and operated and not affiliated with Schwab.

#### **B. Compensation to Non - Advisory Personnel for Client Referrals**

SCA does not directly or indirectly compensate any person who is not advisory personnel for client referrals.

### **Item 15: Custody**

When advisory fees are deducted directly from client accounts at client's custodian, SCA will be deemed to have limited custody of client's assets and must have written authorization from the client to do so. Clients will receive all account statements and billing invoices that are required in each jurisdiction, and they should carefully review those statements for accuracy.

### **Item 16: Investment Discretion**

SCA provides discretionary and non-discretionary investment advisory services to clients. The advisory contract established with each client sets forth the discretionary authority for trading. Where investment discretion has been granted, SCA generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share.

### **Item 17: Voting Client Securities (Proxy Voting)**

SCA will not ask for, nor accept voting authority for client securities. Clients will receive proxies directly from the issuer of the security or the custodian. Clients should direct all proxy questions to the issuer of the security.

## **Item 18: Financial Information**

### **A. Balance Sheet**

SCA neither requires nor solicits prepayment of more than \$1,200 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

### **B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither SCA nor its management has any financial condition that is likely to reasonably impair SCA's ability to meet contractual commitments to clients.

### **C. Bankruptcy Petitions in Previous Ten Years**

SCA has not been the subject of a bankruptcy petition in the last ten years.