

# Adkins Seale Capital Management LLC

## **ADV Part 2A, Appendix 1 Wrap Fee Program Brochure Dated: March 11, 2020**

Contact: Philip Michael Adkins,  
Chief Compliance Officer  
333 Texas Street, Suite 2235  
Shreveport, Louisiana 71101

**This brochure provides information about the qualifications and business practices of Adkins Seale Capital Management LLC (the “Registrant”). If you have any questions about the contents of this brochure, please contact us at (318) 703-3641. 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 Adkins Seale Capital Management LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to Adkins Seale Capital Management LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2           Material Changes**

Since its last Annual Amendment filing on February 28, 2019, there have been no material changes to this Brochure.

**ANY QUESTIONS:** Registrant’s Chief Compliance Officer, Philip Michael Adkins, remains available to address any questions regarding this Firm Wrap Fee Program Brochure, including the disclosure additions and enhancements below.

## **Item 3           Table of Contents**

Item 1	Cover Page.....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents.....	2
Item 4	Services, Fees and Compensation .....	3
Item 5	Account Requirements and Types of Clients .....	5
Item 6	Portfolio Manager Selection and Evaluation.....	5
Item 7	Client Information Provided to Portfolio Managers.....	6
Item 8	Client Contact with Portfolio Managers .....	6
Item 9	Additional Information .....	6

## Item 4            Services, Fees and Compensation

### A.

#### INVESTMENT ADVISORY SERVICES

The Registrant generally provides discretionary investment advisory services through its wrap fee program. See the discussion below under Adkins Seale Wrap Program. Clients in the Program will pay a single fee for bundled services (i.e. investment advisory, brokerage, custody).

#### ADKINS SEALE WRAP PROGRAM

The Registrant provides investment management services on a wrap fee basis through the Registrant's investment management wrap fee program (the "Program"). Under the Program, the Registrant provides discretionary investment management services, for a single specified annual Program fee, inclusive of trade execution, custody, reporting, and investment management fees. All prospective Program participants should read both the Registrant's Brochure and this Program Brochure, and ask any corresponding questions that they may have, prior to participation in the Program. Charles Schwab & Co. Inc. ("*Schwab*") serves as the custodian for Program accounts.

The Registrant's annual investment Program fee is based on a percentage of the market value of a client's assets placed under the Registrant's management as follows:

<u>Market Value of Portfolio</u>	<u>Annual fee as % of</u>
First \$250,000	1.20%
Next \$250,000	1.00%
Next \$500,000	0.85%
Next \$1,000,000	0.70%
Next \$3,000,000	0.50%
Above \$5,000,000	Negotiable

By way of example, a client placing \$350,000 under Registrant's management under the above fee schedule would be assessed an annual fee of 1.20% on the first \$250,000 placed under Registrant's management, with an annual fee of 1.00% assessed on the remaining \$100,000.

Under the Program, the Registrant will have the written authority to determine which securities and the amounts of securities that are bought or sold. Any limitations on this discretionary authority shall be included in the written agreement between each client and the Registrant. Clients may change these limitations by notifying the Registrant, in writing, at any time. The client shall have reasonable access to one of the Registrant's investment professionals to discuss their account.

**Fee Calculation:** The fee charged is calculated as described above and is not charged based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client.

**Fee Payment:** Clients will be charged in advance, at the beginning of each calendar quarter based upon the market value of the assets on the last business day of the previous quarter. Clients may elect to have the Registrant's advisory fees deducted from their custodial account.

**Investment Performance:** As a condition to participating in the Program, the participant **must** accept that past performance may not be indicative of future results, and understand that the future performance of any specific investment or investment strategy (including the investments and/or investment strategies purchased and/or undertaken by the Registrant) may not: (1) achieve their intended objective; (2) be profitable; or, (3) equal historical performance level(s) or any other performance level(s).

- B. Participation in the Program may cost more or less than purchasing such services separately. The Program fee charged by Registrant for participation in the Program may be higher or lower than those charged by other sponsors of comparable wrap fee programs. Because Program transaction fees are paid by the Registrant to the account custodian/broker-dealer, the Registrant has an economic incentive to minimize the number of trades in the client's account or select securities that do not incur transaction fees.
- C. The Program's wrap fee does not include certain charges and administrative fees, including, but not limited to, mark-ups and mark-downs, transfer taxes, odd lot differentials, exchange fees, interest charges, American Depository Receipt agency processing fees, wire fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law or otherwise agreed to with regard to client accounts. These fees and expenses are in addition to the Program fee.

In addition, client accounts may invest in mutual funds (including money market funds) and ETFs that have various internal fees and expenses (i.e. management fees), which are paid by these funds but ultimately borne by clients as a fund shareholder. These internal fees and expenses are in addition to the fees charged by the Registrant. When beneficial to the client, individual fixed-income or equity transactions may be effected through broker-dealers that the Registrant or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other broker-dealers. In that case, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade away" fee charged by the custodian (i.e. *Schwab*). For Program clients, commissions and trading fees, including trade away fees, are paid for by the Registrant. Schwab does not currently charge transaction fees on U.S. equities, exchange-traded funds, and certain "no-transaction fee mutual funds". We generally make investment decisions without regard to transaction fees

- D. Registrant's related persons who recommend the Program to clients do not receive compensation specifically tied to a client's participation in the Program. However, the Registrant's owners receive compensation in proportion to their ownership in the Registrant. For more information, see your representative's brochure supplement.

## **Item 5            Account Requirements and Types of Clients**

The Registrant's clients shall generally include individuals, business entities, trusts, estates, and charitable organizations, pension and profit sharing plans. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter. The Registrant, in its sole discretion, may reduce or waive its investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, service requirements, complexity of the engagement, competition, courtesy accounts, negotiations with client, etc.). As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees.

## **Item 6            Portfolio Manager Selection and Evaluation**

- A. The Registrant does not allocate any portion of a client's Program assets among unaffiliated independent investment managers.
- B. The Registrant acts as the portfolio manager for the Program. Because Program transaction fees and commissions are paid for by the Registrant, the Registrant has a disincentive to trade Program accounts. The Registrant makes investment decisions in the Program without regard to its obligation to pay transaction fees. With the exception of Retirement Plan Consulting Services engagements, the Registrant does not currently recommend non-discretionary, non-wrap fee services to any client.
- C. The Registrant is the sole portfolio manager in the Program. Instead of reiterating the information in the Brochure that is found in Items 4.B, 4.C, 4.D (Advisory Business), 6 (Performance-Based Fees and Side-By-Side Management), 8.A (Methods of Analysis, Investment Strategies and Risk of Loss) and 17 (Voting Client Securities), that information is incorporated by reference. Clients and prospective clients should review those sections of the Brochure carefully.

## **Item 7            Client Information Provided to Portfolio Managers**

The Registrant shall be the Program's portfolio manager. The Registrant shall provide investment advisory services specific to needs of each client. Prior to providing investment advisory services, an investment adviser representative will discuss with each client, their particular investment objective(s). The Registrant shall allocate each client's investment assets consistent with their designated investment objective(s). Clients may, at any time, impose restrictions, in writing, on the Registrant's services.

It remains the client's responsibility to promptly notify the Registrant if there is ever any change in their financial situation or investment objectives so that the Registrant can review and revise its previous recommendations.

## **Item 8            Client Contact with Portfolio Managers**

The client shall have, without restriction, reasonable access to the Program's portfolio manager.

## **Item 9            Additional Information**

Instead of reiterating the information in the Brochure that is found in Items 9 (Disciplinary Information), 10 (Other Financial Industry Activities and Affiliations), 11 (Code of Ethics, Participation or Interest in Client Transactions and Personal Trading), 13 (Review of Accounts), 14 (Client Referrals and Other Compensation), and 18 (Financial Information), that information is incorporated by reference. Clients and prospective clients should review those sections of the Brochure carefully.

**ANY QUESTIONS: The Registrant's Chief Compliance Officer, Philip Michael Adkins, remains available to address any questions that a client or prospective client may have regarding this Program Brochure.**