



**Item 1 – Cover Page**

**Rollins Financial Advisors, LLC**

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April 27, 2021

This Brochure provides information about the qualifications and business practices of Rollins Financial Advisors, LLC. If you have any questions about the contents of this Brochure, please contact us at 404-892-7967 or at [contact@rollinsfinancial.com](mailto:contact@rollinsfinancial.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.

Rollins Financial Advisors, LLC is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information about which you determine to hire or retain an Adviser.

Additional information about Rollins Financial Advisors, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This is the first update of Rollins Financial Advisors, LLC's brochure.

In this update, we disclose that we offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions ("FCS"). FCS does not receive any compensation from such third-party institutions from serving our clients. Further information on these services and attendant conflicts of interest is available in Items 4, 5, and 10 of this Brochure. We have made other revisions to enhance the clarity of our disclosures.

A current version of our Brochure may be obtained free of charge by contacting Eddie Wilcox at 404-892-7967 or [ewilcox@rollinsfinancial.com](mailto:ewilcox@rollinsfinancial.com).

### Item 3 -Table of Contents

Item 1 – Cover Page.....	i
Item 2 – Material Changes .....	ii
Item 4 – Advisory Business .....	1
Item 5 – Fees and Compensation .....	3
Item 6 – Performance-Based Fees and Side-By-Side Management.....	4
Item 7 – Types of Clients .....	4
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss .....	4
Item 9 – Disciplinary Information .....	6
Item 10 – Other Financial Industry Activities and Affiliations.....	7
Item 11 – Code of Ethics.....	10
Item 12 – Brokerage Practices.....	11
Item 13 – Review of Accounts .....	12
Item 14 – Client Referrals and Other Compensation .....	13
Item 15 – Custody .....	14
Item 16 – Investment Discretion .....	14
Item 17 – Voting Client Securities .....	15
Item 18 – Financial Information.....	15

#### Item 4 – Advisory Business

Rollins Financial Advisors, LLC. (hereinafter, “RF”) seeks to provide investment advice that will meet individual client goals under a fee only system, taking the utmost care to enhance each client’s financial position over the long term. RF acquired the investment advisory business of Rollins Financial, Inc. which was founded in 1990.

RF is part of the Focus Financial Partners, LLC (“Focus LLC”) partnership. Specifically, RF is a wholly owned subsidiary of Focus Operating, LLC (“Focus Operating”), which is a wholly owned subsidiary of Focus LLC. Focus Financial Partners Inc. (“Focus Inc.”) is the sole managing member of Focus LLC and is a public company traded on the NASDAQ Global Select Market. Focus Inc. owns approximately two-thirds of the economic interests in Focus LLC.

Focus Inc. has no single 25% or greater shareholder. Focus Inc. is the sole managing member of Focus LLC and has 100% of its governance rights. Accordingly, all governance is through the voting rights and Board at Focus Inc. As of the end of 2020, investment vehicles affiliated with Stone Point Capital, LLC (“Stone Point”) had a greater than 25% voting interest in Focus Inc., and Stone Point had the right to designate two of eight directors on the Focus Inc. Board. As of the end of 2020, investment vehicles affiliated with Kohlberg Kravis Roberts & Co. L.P. (“KKR”) had a less than 25% voting interest in Focus Inc., and KKR had the right to designate one of eight directors on the Focus Inc. Board.

Focus LLC also owns other registered investment advisers, broker-dealers, pension consultants, insurance firms, business managers and other firms (the “Focus Partners”), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.

RF is managed by Joseph R. Rollins, Robert E. Schultz III, Danielle Van Lear Schultz and Edward J. Wilcox (“RF Principals”), pursuant to a management agreement between RF Partners, LLC and RF. The RF Principals serve as officers of RF and in that capacity are responsible for the management, supervision and oversight of RF.

RF provides individual investment counseling and supervisory services, along with commentaries on market performance and estimates for future trends. RF initially meets with each client to determine the client’s financial objectives and other relevant factors that should be considered in building the investment portfolio. Taking the information gleaned from the initial meeting, and after further study of the client’s overall circumstances, RF will: analyze existing assets, including allocation among asset classes; develop an asset allocation

plan for each client portfolio; and select equity and/or fixed income securities designated to assist the client in reaching his or her stated goals and objectives. Clients can instruct RF to follow client directed investment restrictions or guidelines.

RF most often invests client assets in various mutual funds or exchange-traded funds. RF does not currently typically recommend bonds, variable annuities or real estate partnerships, but reviews and advises on existing client holdings in these instruments. If a given situation warrants, RF will invest client funds in individual domestic or foreign common stocks, preferred stocks or certificates of deposit. Once the portfolio is constructed, RF monitors the investments, their performance and overall progress toward the stated goals of the client on an ongoing basis.

RF is a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) with respect to investment management services and investment advice provided to ERISA plan clients, including ERISA plan participants. RF is also a fiduciary under the Internal Revenue Code (the “IRC”) with respect to investment management services and investment advice provided to ERISA plans, ERISA plan participants, IRAs and IRA owners (collectively, “Retirement Account Clients”). As such, RF is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a “PTE”).

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions (“FCS”), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. Please see Items 5 and 10 for a fuller discussion of these services and other important information.

As of April 1, 2021, RF manages total discretionary assets of \$1,046,192,272.

## Item 5 – Fees and Compensation

For our services, we charge a percentage of a client's assets under our management, generally determined in accordance with the following annual fee schedule:

<u>Assets</u>	<u>Rate*</u>
\$0 - \$50,000	1.50%
\$50,001 - \$100,000	1.25%
\$100,001 - \$1,000,000	1.00%
\$1,000,001 - \$3,000,000	0.75%
over \$3,000,000	0.50%

\*Specified rate applies only to assets in that tier.

A minimum portfolio size and minimum annual fees may apply, at the discretion of RF. However, under certain circumstances, portfolio size minimums and fees are negotiable.

The specific manner in which fees are charged by RF is established in a client's written agreement with RF. RF will generally bill its fees on a quarterly basis in arrears each calendar quarter. Clients may also elect to be billed directly for fees or to authorize RF to directly debit fees from client accounts. Management fees shall be calculated based on the average daily balance which aggregates the daily ending market values for a selected quarter and divides that aggregate market value number by the number of days in the quarter. Clients who join mid-quarter are not billed prior to account initiation, and clients who leave mid-quarter are not billed after account termination.

RF's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients will incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, short-term redemption fees, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to RF's fee. RF does not receive any portion of these commissions, fees, and costs.

RF has entered into a services agreement with a related accounting firm, Rollins & Van Lear, P.C ("R&VL"). RF refers clients who need audit, attest, compilation and review services to R&VL. R&VL refers clients in need of advisory services to RF for such services. These arrangements are described in further detail in Items 10 and 14.

Item 12 further describes the factors that RF considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (e.g., commissions).

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions (“FCS”). FCS does not receive any compensation from such third-party institutions from serving our clients. Further information on this conflict of interest is available in Item 10 of this Brochure.

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

RF does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client) or engage in side-by-side management.

## **Item 7 – Types of Clients**

RF provides portfolio management services to individuals, high net worth individuals and corporate pension and profit-sharing plans.

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

To achieve the specific goals of each client account, RF directs client assets to be invested in stock funds, fixed income (bond) funds, individual stocks, individual bonds, individual cash equivalent securities, commodity funds, real estate funds and alternative asset funds. RF directs investments towards domestic investments, or international investments, depending on market conditions. RF will also make judgments with regard to allocations towards large, medium and small-cap securities. In addition, analysis will be made regarding the types of fixed-income investments that are appropriate given market conditions with regard to each client’s situation.

Investing in securities involves risk of loss that clients should be prepared to bear. The likelihood of loss may be greater if you invest for a shorter time period. Principal risks include the following: market and selection risk, investment style risk, small and mid-cap risk, credit risk, foreign investment risk, commodity risk, interest rate risk and derivatives risk.

*Market and Selection Risk.* Market risk is the risk that markets will go down in value. These changes may be sharp and unpredictable. The financial problems in global economies over

the past several years may continue to cause high volatility in global financial markets, including in the U.S. Selection risk is the risk that the investments that our portfolio managers select will underperform the market or strategies managed by other investment managers with similar investment objectives and investment strategies.

*Investment Style Risk.* The risk that returns from a particular investment style (e.g., growth stocks vs. value stocks) will trail returns from the overall stock market.

*Small and Mid-Cap Risk.* Small and mid-cap companies are generally more vulnerable to adverse business or economic developments than larger companies. They may also be less liquid and more volatile than securities of larger companies or the market averages in general.

*Credit Risk.* The risk that the issuer of a security, or the counterparty to a contract, will default or otherwise become unable to honor a financial obligation. Credit risk is generally higher for non-investment grade securities. The price of a security can be adversely affected prior to actual default as its credit status deteriorates and the probability of default rises.

*Foreign Investment Risk.* Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. One or more of these factors can make foreign investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

*Commodity Risk.* Exposure to the commodities markets may subject commodity portfolios to greater volatility than investments in traditional securities, particularly if the investments involve leverage.

*Interest Rate Risk.* The risk that debt prices overall will decline over short or even long periods due to rising interest rates. A rise in rates typically causes a fall in bond values, while a fall in rates typically causes a rise in bond values.

*Derivatives Risk.* The risk of investing in derivatives include liquidity, interest rate, market, credit and management risks, mispricing or improper valuation. Changes in the value of a derivative may not correlate with the underlying asset, rate or index, and you could lose more than the principal amount invested.

*Cybersecurity Risk.* The computer systems, networks and devices used by RF and service providers to us and our clients to carry out routine business operations employ a variety of



protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. Clients could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

*COVID-19 Outbreak and Other Public Health Risks.* The current COVID-19 pandemic may materially and adversely affect clients' accounts and investments, depending on the severity, duration and spread of the outbreak and the effects on the economy, the financial markets, and specific investments. A client's accounts and investments could also be materially and adversely impacted by other such infectious disease outbreaks or public health crises.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of RF or the integrity of RF's management. RF has no information applicable to this Item.

## Item 10 – Other Financial Industry Activities and Affiliations

### Rollins & Van Lear

Mr. Joseph Rollins, President and CEO of RF, is also the CEO and a partner of R&VL, a CPA firm. Mr. Rollins spends up to 10% of his time on activities relating to R&VL. Additionally, Ms. Van Lear Schultz is Chief Financial Officer of RF and a partner of R&VL. RF has entered into a services agreement with R&VL, under which R&VL pays fees to RF to use RF's information technology, administrative services, office services support, office space, facilities and other support services necessary to enable R&VL to provide professional services to its clients.

RF refers clients who need audit, attest, compilation and review services to R&VL. Additionally, R&VL refers clients in need of advisory services to RF for such services. The referral of RF's clients to R&VL, rather than to an unaffiliated CPA firm, increases R&VL's compensation and the compensation of Mr. Rollins and Ms. Van Lear Schultz relative to a situation in which RF clients are not referred to R&VL. Thus, RF and R&VL, and Mr. Rollins and Ms. Van Lear Schultz have a financial interest in the selection of RF and/or R&VL by the client for their respective services. This represents a conflict of interest which RF resolves by disclosure. In addition, although RF and R&VL each recommend the other to clients, there is no requirement that any client of one firm use the services of the other. The services of RF and R&VL are separate and are performed for separate and typical compensation.

### FOCUS FINANCIAL PARTNERS

As noted above in response to Item 4, certain investment vehicles managed by Stone Point collectively are principal owners of Focus LLC and Focus Inc., and certain investment vehicles managed by KKR collectively are minority owners of Focus LLC and Focus Inc. Because RF is an indirect, wholly owned subsidiary of Focus LLC and Focus Inc., the Stone Point and KKR investment vehicles are indirect owners of RF. None of Stone Point, KKR, or any of their affiliates participates in the management or investment recommendations of RF's business.

RF has no business relationship with other Focus Partners that is material to its advisory business or to its clients.

### Focus Client Solutions

We offer clients the option of obtaining certain financial solutions from unaffiliated third-party financial institutions with the assistance of our affiliate, Focus Client Solutions ("FCS"), a wholly owned subsidiary of our parent company, Focus Financial Partners, LLC. These third-party financial institutions are banks and non-banks (the "Network Institutions") that

offer credit and cash management solutions to our clients. Certain other unaffiliated third parties provide administrative and settlement services to facilitate FCS's cash management solutions. FCS acts as an intermediary to facilitate our clients' access to these credit and cash management solutions.

FCS receives a portion of the revenue earned by the Network Institutions from providing services to the clients of some of our affiliates. Such fees are also revenue for our common parent company, Focus Financial Partners, LLC. Although FCS does not receive any compensation from Network Institutions from serving our clients, the volume generated by our clients' transactions benefits FCS and Focus in attracting, retaining, and negotiating with Network Institutions. Accordingly, for those reasons, we have a conflict of interest when recommending FCS's services to clients. We mitigate this conflict by: (1) fully and fairly disclosing the material facts concerning the above arrangements to our clients, including in this Brochure; and (2) offering FCS solutions to clients on a strictly nondiscretionary and fully disclosed basis, and not as part of any discretionary investment services. Additionally, we note that clients who use FCS's services will receive robust product-specific disclosure from the Network Institutions and other unaffiliated third-party intermediaries that provide services to our clients.

We have an additional conflict of interest when we recommend FCS to provide credit solutions to our clients because our interest in continuing to receive investment advisory fees from client accounts gives us a financial incentive to recommend that clients borrow money rather than liquidating some or all of the assets we manage.

#### FCS Credit Solutions

For FCS credit solutions, the interest rate of the loan is ultimately dictated by the lender, although in some circumstances FCS may have the ability to influence the lender to lower the interest rate of the loan within certain parameters. The final rate may be higher or lower than the prevailing market rate. We can offer no assurances that the rates offered to you by the lender are the lowest possible rates available in the marketplace.

Clients retain the right to pledge assets in accounts generally, subject to any restrictions imposed by clients' custodians. While the FCS program facilitates secured loans through Network Institutions, clients are free instead to work directly with institutions outside the FCS program. Because of the limited number of participating Network Institutions and FCS's financial arrangements with those institutions, clients may be limited in their ability to obtain as favorable loan terms as if the client were to work directly with other banks to negotiate loan terms or obtain other financial arrangements.

Clients should also understand that pledging assets in an account to secure a loan involves additional risk and restrictions. A Network Institution has the authority to liquidate all or part of the pledged securities at any time, without prior notice to clients and without their consent, to maintain required collateral levels. The Network Institution also has the right to call client loans and require repayment within a short period of time; if the client cannot repay the loan within the specified time period, the Network Institution will have the right to force the sale of pledged assets to repay those loans. Selling assets to maintain collateral levels or calling loans may result in asset sales and realized losses in a declining market, leading to the permanent loss of capital. These sales also may have adverse tax consequences. Interest payments and any other loan-related fees are borne by clients and are in addition to the advisory fees that clients pay us for managing assets, including assets that are pledged as collateral. The returns on pledged assets may be less than the account fees and interest paid by the account. Clients should consider carefully and skeptically any recommendation to pursue a more aggressive investment strategy in order to support the cost of borrowing, particularly the risks and costs of any such strategy. More generally, before borrowing funds, a client should carefully review the loan agreement, loan application, and other forms and determine that the loan is consistent with the client's long-term financial goals and presents risks consistent with the client's financial circumstances and risk tolerance.

#### FCS Cash Management Solutions

For FCS cash management solutions, as stated above, certain third-party intermediaries provide administrative and settlement services in connection with the program. Those intermediaries each charge a fixed basis point fee on total deposits in the program. Before any interest is paid into client accounts, the Network Institutions and certain unaffiliated third-party service providers take their fees out, and the net interest is then credited to clients' accounts. Engaging FCS, the Network Institutions, and these other intermediaries to provide cash management solutions does not alter the manner in which we treat cash for billing purposes.

Clients should understand that in rare circumstances, depending on interest rates and other economic and market factors, the yields on cash management solutions could be lower than the aggregate fees and expenses charged by the Network Institutions, the intermediaries referenced above, and us. Consequently, in these rare circumstances, a client could experience a negative overall investment return with respect to those cash investments. Nonetheless, it might still be reasonable for a client to participate in the FCS cash management program if the client prefers to hold cash at the Network Institutions rather than at other financial institutions (e.g., to take advantage of FDIC insurance).

## Item 11 – Code of Ethics

RF has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at RF must acknowledge the terms of the Code of Ethics annually, or as amended.

RF anticipates that, in appropriate circumstances, consistent with clients' investment objectives, it will cause accounts over which RF has management authority to effect, and will recommend to investment advisory clients or prospective clients, the purchase or sale of securities in which RF, its affiliates and/or clients, directly or indirectly, have a position of interest. RF's employees and persons associated with RF are required to follow RF's Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of RF and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for RF's clients.

The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of RF will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of RF's clients. The Code requires employees to pre-clear transactions in private placements, IPOs and securities of issuers where clients are insiders, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between RF and its clients. All trading activities of officers and employees are reviewed by RF on a quarterly basis to monitor compliance with the Code of Ethics.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with RF's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. RF will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade

order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the Order.

RF's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Eddie Wilcox.

It is RF's policy that the firm will not effect any principal or agency cross securities transactions for client accounts. RF will also not cross trades between client accounts.

## **Item 12 – Brokerage Practices**

RF considers the following factors in selecting or recommending brokerage firms for your transactions and in determining the reasonableness of the compensation or other remuneration paid to the brokerage firms: quality of services provided, implementation costs, value of research and other information provided, confidentiality of trading intentions, investment styles (compatibility between RF and the brokerage firm), trade error resolution process, ability to execute difficult trades.

RF has established a Best Execution committee which periodically reviews our brokerage practices and the reasonableness of compensation or other remuneration paid to brokerage firms and monitors our efforts to seek best execution of client transactions.

Most investments made on behalf of client accounts are mutual funds; therefore, RF does not have the ability to select the broker to execute the transaction. When individual securities are selected for client accounts, the account custodian will generally execute the transaction.

All clients will have the opportunity to select the custodian and/or broker dealer of choice; however, clients in need of custodial services will generally have Charles Schwab & Co., Inc. ("Schwab") or Fidelity Investments, Inc. ("Fidelity") recommended to them. If clients select a custodian other than Schwab or Fidelity, RF may not have the opportunity to negotiate commissions paid by the client, and RF's ability to obtain best execution may be impaired.

RF participates in the Institutional programs of Charles Schwab & Co., Inc. and Fidelity Investments, Inc., both FINRA members and registered broker-dealers. These service programs are offered to independent investment advisers by the broker/dealers. As a participant in the programs, RF receives some benefits.

RF does receive some benefits by its participation in the institutional programs of Charles Schwab & Co. and Fidelity Investments, although there is no direct link between the investment advice given and participation in the program. These benefits usually include: receipt of duplicate client confirmations and bundled duplicate statements; access to market

and economic research reports; access to a service team and trading desk serving adviser participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; access to an electronic communications network for client order entry and account information; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. The benefits received through participation in the program do not depend upon the proportion of transactions directed to these broker-dealers (e.g., they are not “soft dollars”).

When given discretion to do so, RF will endeavor to select those brokers or dealers which provide the best services at the lowest commission rates possible. The reasonableness of commission is based on the broker’s ability to provide professional services, competitive commission rates, research and other services which will help RF in providing investment advisory services to clients. RF may recommend (or use) the use of a broker-dealer who provides useful research and securities transaction services even though a lower commission may be charged by a different broker-dealer, who offers no research services and minimal securities transaction assistance. Research services are useful in servicing all of RF’s clients, but not all such research may be useful for the account for which the particular transaction was effected.

### **Item 13 – Review of Accounts**

All accounts are reviewed in detail at least quarterly by RF, but interim reviews are triggered by a number of factors. These factors include but are not limited to the following: change in general circumstances, change in personal expense levels, changes in marital status, retirement, economic developments, political changes, market conditions, etc. In addition, RF evaluates the investment philosophy of the firm on an ongoing basis and performs economic analysis for all accounts. The reviewers include Joseph R. Rollins, President/CEO, Robert E. Schultz, III, Chief Operations Officer and Edward J. Wilcox, Chief Compliance Officer.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmations of all trading activity, and year-end tax statements, such as 1099 forms. In addition, RF provides a quarterly report for each client. This report includes a summary of portfolio holdings, gains and losses for the period, interest and dividends earned,

contributions and withdrawals for the period, investment management fees charged, and a performance review. Additional reports are available upon request.

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

RF has arrangements in place with certain third-party solicitors whereby we compensate them for referring clients to us. Referral arrangements inherently give rise to potential conflicts of interest, particularly when the person recommending the adviser receives an economic benefit for doing so. The Advisers Act addresses this conflict of interest by requiring disclosures related to the referral, including a description of the material terms of the compensation arrangement with the solicitor.

We pay third-party solicitors a percentage of the advisory fees we receive from referred clients. We require third party solicitors who introduce potential clients to us to provide the potential client, at the time of the solicitation, with a copy of this disclosure brochure and a copy of a disclosure statement which explains that the solicitor will be compensated for the referral and contains the terms and conditions of the solicitation arrangement, including the percentage of the advisory fees or other compensation the solicitor is to receive.

In addition, RF compensates its employees, including our portfolio managers, who refer potential clients to us for our services. Thus, the employee will have a financial interest in the selection of RF by the client for investment management services.

RF refers clients who need audit, attest, compilation and review services to R&VL. Additionally, R&VL refers clients in need of advisory services to RF for such services. The referral of RF's clients to R&VL, rather than to an unaffiliated CPA firm, increases R&VL's compensation and the compensation of Mr. Rollins and Ms. Van Lear Schultz relative to a situation in which RF clients are not referred to R&VL. Thus, RF and R&VL, and Mr. Rollins and Ms. Van Lear Schultz have a financial interest in the selection of RF and/or R&VL by the client for their respective services. As noted above, in Item 10, RF resolves this conflict of interest by disclosing it. In addition, although RF and R&VL each recommend the other to clients, there is no requirement that any client of one firm use the services of the other. The services of RF and R&VL are separate, and are performed for separate and typical compensation.

RF's parent company is Focus Financial Partners, LLC ("Focus"). From time to time, Focus holds partnership meetings and other industry and best practices conferences, which typically include RF, other Focus Partners and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus Partners, including RF. However, the meetings do provide sponsorship opportunities for asset



managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus Partners, including RF. Although the participation of Focus Partner personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause RF to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including RF. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement.

No entities have provided conference sponsorship to Focus in the last year.

### **Item 15 – Custody**

RF has the authority to debit accounts in order to collect investment advisory fees, which results in RF having custody of client assets. For certain clients, RF also has the authority, pursuant to standing letters of authorization, to instruct the client account custodian to implement a client funds transfer to a differently titled account.

Clients should receive at least quarterly statements from the broker-dealer, bank or other qualified custodian that holds and maintains client's investment assets. RF urges you to carefully review such statements and compare such official custodial records to the account statements that we provide to you. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

RF usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, RF observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies, RF's authority to trade securities may also be limited by certain federal securities

and tax laws that require diversification of investments and favor the holding of investments once made.

Investment guidelines and restrictions must be provided to RF in writing.

### **Item 17 – Voting Client Securities**

RF has policies and procedures in place for voting proxies for certain securities on behalf of client accounts. RF seeks to vote the securities in our clients' best interest and generally adheres to predetermined voting guidelines set out in those policies and procedures in the absence of written voting guidelines from the client. Clients who wish to vote their own proxies may revoke this authority from RF. Clients may obtain RF's proxy voting policies and procedures by contacting the RF office at 404-892-7967. In addition, clients may contact RF for information regarding how their securities were voted.

### **Item 18 – Financial Information**

We are required in this Item to provide you certain financial information or disclosures about RF's financial condition. RF does not solicit fees of more than \$1,200 per client, six months or more in advance. RF has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy petition.