

# Steady Returns, LLC d/b/a Steady Returns Firm Brochure - Form ADV Part 2A

*This brochure provides information about the qualifications and business practices of Steady Returns. If you have any questions about the contents of this brochure, please contact us at (800) 798-2860 or by email at: [steadyreturns@steady-returns.com](mailto:steadyreturns@steady-returns.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. Registration does not imply a certain level of skill or training.*

*Additional information about Steady Returns is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Steady Returns, LLC's CRD number is: 166834*

10304 SW Captiva Drive  
Port St. Lucie, FL 34987  
Main: (561) 400-5970  
Fax: (772) 382-2789  
[www.steady-returns.com](http://www.steady-returns.com)  
[steadyreturns@steady-returns.com](mailto:steadyreturns@steady-returns.com)

Version Date: 08/27/2021

## **Item 2: Material Changes**

Steady Returns, LLC has made the following material changes to its ADV Part 2A since its last annual amendment on March 20, 2021:

### **Item 1 Identifying Information:**

#### **Principal Office and Place of Business Address:**

10304 SW Captiva Drive  
Port St. Lucie, FL 34987

### **Item 4 Advisory Business:**

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

Steady Returns is a Limited Liability Company organized in the state of Florida. The firm was formed in August of 2012 and became a Florida registered investment adviser in June 2013. Advisor registered with the SEC in July 2021. Its principal owners are Michael William Burr and Christopher Vincent Burr.

### **Item 19 Requirements for State Registered Advisors:**

Deleted Item 19

## Item 3: Table of Contents

Item 2: Material Changes.....	i
Item 3: Table of Contents .....	ii
Item 4: Advisory Business .....	1
A. Description of the Advisory Firm.....	1
B. Types of Advisory Services.....	1
Investment Supervisory Services .....	1
Services Limited to Specific Types of Investments.....	1
C. Client Tailored Services and Client Imposed Restrictions.....	1
D. Wrap Fee Programs.....	2
E. Amounts Under Management.....	2
Item 5: Fees and Compensation.....	2
A. Fee Schedule.....	2
Investment Supervisory Services Fees.....	2
B. Payment of Fees.....	4
Payment of Investment Supervisory Fees.....	4
C. Clients Are Responsible for Third Party Fees .....	4
D. Prepayment of Fees.....	5
E. Outside Compensation for the Sale of Securities to Clients.....	5
Item 6: Performance-Based Fees and Side-By-Side Management .....	5
Item 7: Types of Clients .....	6
Minimum Account Size.....	6
Item 8: Methods of Analysis, Investment Strategies, and Risk of Investment Loss .....	6
A. Methods of Analysis and Investment Strategies.....	6
Methods of Analysis .....	6
Investment Strategies.....	6
B. Material Risks Involved .....	7
Methods of Analysis .....	7
Investment Strategies.....	7
C. Risks of Specific Securities Utilized .....	8
Item 9: Disciplinary Information .....	9
A. Criminal or Civil Actions.....	9
B. Administrative Proceedings .....	9
C. Self-regulatory Organization (SRO) Proceedings .....	9
Item 10: Other Financial Industry Activities and Affiliations.....	10

A.	Registration as a Broker/Dealer or Broker/Dealer Representative.....	10
B.	Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor .....	10
C.	Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests.....	10
D.	Selection of Other Advisors or Managers and How This Advisor is Compensated for Those Selections.....	10
Item 11:	Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading .....	11
A.	Code of Ethics.....	11
B.	Recommendations Involving Material Financial Interests .....	11
C.	Investing Personal Money in the Same Securities as Clients.....	11
D.	Trading Securities At/ Around the Same Time as Clients' Securities.....	11
Item 12:	Brokerage Practices.....	12
A.	Factors Used to Select Custodians and/or Broker/Dealers .....	12
1.	Research and Other Soft-Dollar Benefits .....	12
2.	Brokerage for Client Referrals.....	12
3.	Clients Directing Which Broker/Dealer/Custodian to Use .....	12
B.	Aggregating (Block) Trading for Multiple Client Accounts .....	13
Item 13:	Reviews of Accounts .....	13
A.	Frequency and Nature of Periodic Reviews and Who Makes Those Reviews .....	13
B.	Factors That Will Trigger a Non-Periodic Review of Client Accounts.....	13
C.	Content and Frequency of Regular Reports Provided to Clients.....	13
Item 14:	Client Referrals and Other Compensation .....	14
A.	Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes) .....	14
B.	Compensation to Non-Advisory Personnel for Client Referrals.....	14
Item 15:	Custody.....	14
Item 16:	Investment Discretion .....	14
Item 17:	Voting Client Securities (Proxy Voting).....	15
Item 18:	Financial Information.....	15
A.	Balance Sheet .....	15
B.	Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients.....	15
C.	Bankruptcy Petitions in Previous Ten Years.....	15

## Item 4: Advisory Business

### A. Description of the Advisory Firm

Steady Returns is a Limited Liability Company organized in the state of Florida. The firm was formed in August of 2012 and became a Florida registered investment adviser in June 2013. Advisor registered with the SEC in July 2021. Its principal owners are Michael William Burr and Christopher Vincent Burr.

### B. Types of Advisory Services

Steady Returns (hereinafter “SR”) offers the following services to advisory clients:

#### *Investment Supervisory Services*

SR offers ongoing portfolio management services based on the individual goals, objectives, time horizon, and risk tolerance of each client. SR creates an Investment Policy Statement for each client that outlines the client’s current situation (income, tax levels, and risk tolerance levels) and then constructs a plan to aid in the selection of a portfolio that matches each client’s specific situation. Investment Supervisory Services include, but are not limited to, the following:

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

SR evaluates the current investments of each client with respect to their risk tolerance levels and time horizon. SR provides ongoing investment advice and management on a discretionary basis. SR’s advice is tailored to the individual risk tolerance levels documented in the Investment Policy Statement, which is given to each client.

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

SR generally limits its money management to mutual funds, ETFs, equities, bonds, fixed income, debt securities, options, exchange traded products (“ETPs”), real estate investment trusts (“REITs”), insurance products including annuities, and government securities. SR may use other securities as well to help diversify a portfolio when applicable.

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

SR 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) and is used to construct a client specific plan to aid in the selection of a portfolio that matches restrictions, needs, and targets.

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 SR from engaging in its standard suite of services, SR reserves the right to end the relationship.

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

SR provides information in a separate disclosure brochure for its services offered through its self-sponsored wrap program ("Wrap Program"). The Wrap Program was closed to new clients in March 2019.

SR provides existing clients in the Wrap Program investment advice and management of personalized client portfolios according to each client's investment objective and financial situation. Under the Wrap Program, SR exercises discretion over the client's account and the broker-dealer custodian's execution and transaction charges are included in the advisory fee. This could create a potential conflict of interest for SR, as SR could earn more in fees by selecting one program over another. SR mitigates this conflict by providing advice that is in the best interest of the client.

If a client would like more information on the Wrap Program, the client should contact their investment advisor representative ("IAR") for a copy of the Wrap Program Brochure that describes the program or go to [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

#### **E. Amounts Under Management**

SR has the following assets under management:

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$98,014,710	\$0.00	1/02/2021

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

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

##### ***Investment Supervisory Services Fees***

Total Assets Under Management	Annual Fee
All assets up to \$250,000	1.25%
All assets greater than \$250,000	1.00%

These fees are negotiable depending upon the needs of the client and the size, complexity, and nature of the portfolio managed. The final fee schedule is set forth in the Investment Advisory Contract. Because the fees are negotiated, not all clients will pay the same fees. SR uses the fee schedule above for accounts that are part of and not part of the Wrap Program. Clients that do not participate in the Wrap Program pay separate broker-dealer custodian execution and transaction charges in addition to SR's fee and therefore may pay more in total fees than clients in the Wrap Program, depending on the amount of trading activity in their account(s).

Further, a client may pay a higher or lower fee depending on considerations such as the size of the client's account, the amount of time the client has maintained an account with SR, and/or the combined market value of related portfolios. While SR believes that its fees are competitive, clients may find lower or higher fees for comparable services from other sources.

Investment advisory fees are charged quarterly in advance as a percentage of the portfolio value on the last business day of the previous quarter or the last value provided by the custodian. These asset-based fees are assessed on all billable assets under management, which include securities, cash, and money market funds.

The initial investment advisory fee will be based on and deducted from the client's account value when the account is transferred to the custodian. The initial fee will be prorated based upon the number of days from the first day of management to the end of the quarter. Subsequent investment advisory fees are determined as a percentage of the portfolio value on the last business day of the previous quarter or the last value as provided by the custodian.

Clients may terminate the Investment Advisory Contract without penalty, for full refund, within five business days of signing the contract. Thereafter, clients may terminate the contract with thirty days' written notice. SR may terminate providing investment advisory services upon written notice of termination to the client or upon the occurrence of certain events as described in the Investment Advisory Contract. After the termination date, SR has no responsibility to provide ongoing investment advice to the client.

Refunds are given on a prorated basis, based on the number of days remaining in a quarter at the point of termination. The fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly investment advisory fee by the number of days in the termination quarter.)

SR may make amendments to the investment advisory fee schedule outlined in the Investment Advisory Contract at any time with at least 30 days written notice to the client.

Information regarding SR's fees and compensation related to the Wrap Program may be found in SR's Wrap Program Brochure, which clients may obtain by contacting their IAR for a copy.

## **B. Payment of Fees**

### ***Payment of Investment Supervisory Fees***

Advisory fees are withdrawn directly from the client's accounts with client's written authorization. Fees are paid quarterly in advance.

## **C. Clients Are Responsible For Third Party Fees**

SR's investment advisory fees are separate from charges assessed by third parties, such as broker-dealers, custodians, or mutual fund companies. Clients are responsible for the payment of all third-party fees.

A client incurs brokerage and other transaction costs charged by the broker-dealer(s) executing the transactions and the custodians maintaining the client's assets. These costs include, but are not limited to, brokerage transaction and money movement costs, commissions, ticket charges, fed fund wire fees, custodial fees, and margin interest. These costs are in addition to SR's investment advisory fees and are not shared with SR.

Mutual funds charge an advisory fee in addition to the management fee a client pays to SR. Some funds also assess administrative fees and 12b-1 fees. SR does not receive any portion of these fees. These fees are in addition to the investment advisory fees SR charges. The client does not pay these fees directly; rather, they are deducted from the mutual fund's assets and will affect the performance of the investment. These funds' advisory, administrative, and 12b-1 fees are described in the funds' prospectuses. Mutual fund share prices and execution costs may differ based on share class. In certain instances, SR will review the cost of a fund's share classes in conjunction with execution costs to assure that it meets its fiduciary duty to obtain best execution.

If a mutual fund has a frequent trading policy, the policy can limit a client's transactions in shares of the fund (e.g., rebalancing, liquidations, deposits, or tax harvesting).

If a client holds a variable annuity, there are mortality, expense, and administrative charges, fees for additional riders on the contract, and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor. If a client holds a REIT as part of an account, there are dealer management fees and other organizational, offering, and pricing expenses imposed by the REIT. If client holds a Unit Investment Trust ("UIT") in the Investment Management account, UIT sponsors charge creation and development fees or similar fees. Further information regarding fees assessed by a product sponsor is available in the appropriate prospectus or offering document, which is available upon request from Steady Returns or from the product sponsor directly.



When investing in an ETP, a client will bear the ETP's proportionate share of fees and expenses as an investor in the ETP. The client does not pay these fees directly; rather they are deducted from the ETP's assets and will affect the performance of the investment.

SR has established a relationship with TD Ameritrade Institutional, a division of TD Ameritrade, Inc. to facilitate certain additional services which are outlined in the section "Brokerage Practices" below. For information about the factors SR considers in selecting and/or recommending brokerage firms, see "Brokerage Practices" at Item 12 below.

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

SR collects fees in advance. For all asset-based fees paid in advance, if the client chooses to terminate his or her account the fee refunded will be the balance of the fees collected in advance minus the daily rate\* times the number of days in the quarter up to and including the day of termination. (\*The daily rate is calculated by dividing the quarterly investment advisory fee by the number of days in the termination quarter.)

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

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

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

SR offers investment management services to qualified clients for a performance-based fee in accordance with applicable laws, rules, and regulations. Under this arrangement, SR charges a fee based upon the performance of a client account in addition to an annual fee based upon assets under management as described at Item 5.A. above.

The performance fee will be equal to a percentage of the quarterly net gains achieved in a client's account. The maximum performance fee is 15% of the net gains per quarter. The performance fee is charged quarterly in arrears, based upon the net portfolio gains achieved on a quarterly basis. Clients that choose to pay a performance fee may pay more in total fees than clients paying an annual fee based solely on assets under management.

SR has a conflict of interest in connection with charging a performance fee, in that SR has an incentive to favor performance-based fee accounts over annual fee based on assets under management because SR stands to earn a larger fee. SR manages this conflict by charging performance fees only for accounts that utilize its Healthcare Boom Strategy, which is described in Item 8.B. below.

## Item 7: Types of Clients

SR generally provides management supervisory services to the following types of clients:

- ❖ Individuals
- ❖ High-Net-Worth Individuals

### *Minimum Account Size*

There is an account minimum of \$50,000, which SR may waive based on the needs of the client and the complexity of the situation.

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

### A. Methods of Analysis and Investment Strategies

#### *Methods of Analysis*

SR's methods of analysis include charting analysis, fundamental analysis, technical analysis, and cyclical analysis.

**Charting analysis** involves the use of patterns in performance charts. SR 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.

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

**Cyclical analysis** involves the analysis of business cycles to find favorable conditions for buying and/or selling a security.

#### *Investment Strategies*

SR uses long term trading, short term trading, and options writing (including covered options, uncovered options, or spreading strategies).

**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 solely 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.

**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 work long term.

**Cyclical analysis** assumes that the markets react in cyclical patterns which, once identified, can be leveraged to provide performance. The risks with this strategy are two-fold: 1) the markets do not always repeat cyclical patterns and 2) if too many investors begin to implement this strategy, it changes the very cycles these investors are trying to exploit.

### ***Investment Strategies***

Long term trading is designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Options writing generally holds greater risk, and clients should be aware that there is a material risk of loss using any of those strategies.

SR's Healthcare Boom Strategy invests primarily (though not necessarily entirely) in a portfolio of stocks concentrated in the US healthcare sector that are selected using a proprietary model based on multiple characteristics. The strategy is sometimes leveraged through margin debt or allocated to 100% cash and/or fixed income. Overall, the intention of the strategy is to attempt to capture significant upside if healthcare stocks rise significantly, but limit downside risk if healthcare stocks decline significantly. Because this strategy is heavily weighted in one sector, clients should be aware that there is a risk that the values of the stocks that make up the portfolio will all react similarly because of an event that affects the entire sector.

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

## C. Risks of Specific Securities Utilized

SR generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets. However, it may utilize options writing. Options writing generally holds greater risk of capital loss, and clients should be aware that there is a material risk of loss using any of those strategies. 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. They can be of bond “fixed income” nature (lower risk) or stock “equity” nature (mentioned above).

**Equity** investment generally refers to buying shares of stocks in return for receiving a future payment of dividends (and capital gains if the value of the stock increases). There is an innate risk involved when purchasing a stock that it may decrease in value and incur a loss.

**Treasury Inflation Protected/Inflation Linked Bonds:** The Risk of default on these 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.

**Fixed Income** is an investment that guarantees fixed periodic payments in the future that may involve economic risks such as inflationary risk, interest rate risk, default risk, repayment of principal risk, etc.

**Debt securities** carry risks such as the possibility of default on the principal, fluctuation in interest rates, and counterparties being unable to meet obligations.

**Stocks & Exchange Traded Products (ETPs):** Investing in stocks & ETPs carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). There may be a higher level of risk with leveraged and inverse ETPs because, to accomplish their objectives, they may pursue a range of investment strategies using swaps, futures contracts and other derivative instruments.

**REITs** have specific risks including valuation due to cash flows, dividends paid in stock rather than cash, and the payment of debt resulting in dilution of shares.

**Precious Metal ETFs** (e.g., Gold, Silver, or Palladium Bullion backed “electronic shares,” not physical metal): Investing in precious metal ETFs carries the risk of capital loss.

**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 other 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.

**Short term trading** risks include liquidity, economic stability, and inflation.

**Short sales** risks include the upward trend of the market and the possibility of unlimited loss.

**Margin trading** involves the buying or selling of securities using borrowed funds. Using margin adds the risk of increasing losses. Other risks include: potential maintenance call or liquidation of securities, losing more funds than you deposit, and/or forced sales due to margin calls.

**Options writing** involves a contract to purchase a security at a given price, not necessarily at market value, depending on the market. This strategy includes the risk that an option may expire out of the money resulting in minimal or no value and the possibility of leveraged loss of trading capital due to the leveraged nature of stock options. An uncovered option is a type of options contract that is not backed by an offsetting position that would help mitigate risk. The risk for a “naked” or uncovered put is not unlimited, whereas the potential loss for an uncovered call option is limitless. Spread option positions entail buying and selling multiple options on the same underlying security, but with different strike prices or expiration dates, which helps limit the risk of other option trading strategies. Option writing also involves risks including, but not limited to, economic risk, market risk, sector risk, idiosyncratic risk, political/regulatory risk, inflation (purchasing power) risk, and interest rate risk.

**Past performance is not a guarantee of future returns. 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**

On March 12, 2019, SR and Michael Burr jointly entered into a Stipulation and Consent Agreement with the State of Florida Office of Financial Regulation resulting in a joint administrative fine of \$8,000. Without admitting or denying, they consented to the entry of findings related to several inaccurate documents and publishing including its disclosure forms and brochure, website, investment advisory contracts, and privacy policy notice. None of the issues resulted in client harm of any kind and have since been corrected.

For more information about this event is available at Investment Advisor Public Disclosure at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

### **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 SR 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 SR nor its representatives are registered as or have pending applications to become a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor.

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

Christopher V. Burr is a licensed insurance agent and may offer clients advice or products from this activity. Clients should be aware that this service may pay commission and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser. Clients are in no way required to implement the plan through any representative of Steady Returns in such individual's outside capacities.

Christopher V. Burr serves on the board for Dare 2 Be Great Foundation and on the council of directors for First Tee. The Dare 2 Be Great Foundation helps Delray Beach high school seniors (who maintain a 3.0 GPA) receive scholarships for their 4 years of undergraduate college education. First Tee introduces golf to young people, especially those of modest financial means. These positions do not involve finance and/or investment oversight for the organizations. These arrangements may present potential conflicts of interest. The Adviser maintains policies that are designed to mitigate conflicts by ensuring that all clients are treated fairly and equitably over time.

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

SR does not utilize or select other advisers or third-party managers. All assets are managed by SR management.

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

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

SR 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.

Our Code of Ethics is available free upon request to any client or prospective client. For a copy of the Code of Ethics, a written request should be sent via email to [steadyreturns@steady-returns.com](mailto:steadyreturns@steady-returns.com).

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

SR does not recommend that clients buy or sell any security in which a related person to SR or SR has a material financial interest.

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

Representatives of SR may buy or sell securities for themselves that they also recommend to clients. This may provide an opportunity for representatives of SR 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. SR will always transact client business before or concurrent with their own when similar securities are being bought or sold.

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

Representatives of SR may buy or sell securities for themselves at or around the same time as clients. This may provide an opportunity for representatives of SR 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. SR will always transact client's transactions before or concurrent with its own when similar securities are being bought or sold.



## **Item 12: Brokerage Practices**

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

SR does not provide brokerage services. SR recommends clients establish brokerage accounts with custodian TD Ameritrade Institutional, a division of TD Ameritrade, Inc., a FINRA-registered broker-dealer, member SIPC. In recommending TD Ameritrade Institutional, SR considers “best execution.” Best execution means that in recommending a broker-dealer, SR will comply with its fiduciary duty to obtain best execution as defined by the Securities Exchange Act of 1934 and will take into account such relevant factors as (i) price; (ii) the broker-dealer’s facilities, reliability, and financial responsibility; (iii) the ability of the broker-dealer to effect transactions, particularly with regard to such aspects as timing, order size, and execution of order; (iv) the research and related brokerage services provided by such broker-dealer to SR, notwithstanding that a client’s account may not be the direct or exclusive beneficiary of such services; and (v) any other factors SR considers to be relevant. TD Ameritrade Institutional was chosen based on their relatively low transaction fees and access to individual bonds, stocks, mutual funds, ETPs, and publicly-traded REITs. SR will never charge a premium or commission on transactions beyond the actual cost imposed by the custodian.

Clients should understand that not all investment advisers recommend that clients custody their accounts and trade through specific broker-dealers. Clients may utilize the broker-dealer of their choice and have no obligation to purchase or sell securities through TD Ameritrade Institutional. However, if the client does not use TD Ameritrade Institutional, SR will reserve the right not to accept the account. TD Ameritrade Institutional is obligated to seek the best execution pursuant to FINRA Rule 2320 for all trades executed; however, better executions may be available via another broker-dealer based on a number of factors including volume, order flow, and market making activity.

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

SR receives no research, product, or services other than execution from a broker-dealer or third-party in connection with client securities transactions (“soft dollar benefits”).

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

SR 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***

SR will require clients to use a specific broker-dealer to execute transactions.



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

SR maintains the ability to block trade purchases across accounts. Block trading may benefit a large group of clients by providing SR the ability to purchase larger blocks resulting in smaller transaction costs to the client. SR receives no additional compensation or remuneration from aggregating transactions. SR is not obligated to block trade purchases across accounts. Declining to block trade can cause more expensive trades for clients.

# **Item 13: Reviews of Accounts**

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

Client accounts are reviewed at least quarterly by Michael W. Burr and Christopher V. Burr, Managing Members. Michael Burr and Christopher Burr are the chief advisers and are instructed to review clients' accounts with regard to clients' respective investment policies and risk tolerance levels. All accounts at SR are assigned to these reviewers.

## **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 clients' financial situations (such as retirement, termination of employment, physical move, or inheritance).

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

Each client will receive at least quarterly from the custodian a written report that details the client's account including assets held and asset value.

SR will also provide clients with portfolio performance summaries that include historical information regarding a client's investments and should not be relied upon as predictive of future performance. The value of securities held in a client's portfolio will be valued by the custodian, broker-dealer, or other investment vendor.

## **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)**

SR maintains a referral arrangement with an unaffiliated investment adviser to act as its solicitor for investment management services. In these instances, it will pay SR compensation in connection with the arrangement. SR discloses all compensation with respect to the foregoing to each referred client through a disclosure statement disclosing the terms of the specific arrangement.

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

SR pays referral fees to SmartAsset to offer the Adviser's advisory services. SR pays a flat monthly referral fee to SmartAsset to match prospective clients with SR based on a survey the client completes. SmartAsset will provide contact information for up to three IARs, including an IAR with SR, for the client's consideration. SmartAsset is not affiliated with the Adviser and does not endorse or recommend the Adviser or its IARs. The Adviser does not charge a higher fee to clients referred by SmartAsset.

Clients referring persons who ultimately become clients of SR may receive a nominal gift.

## **Item 15: Custody**

SR has custody of clients' funds to the extent that it has the ability to deduct fees from clients' accounts. The Custodian will send quarterly account statements to clients. Neither SR nor its associated persons will accept delivery of a client's securities or funds in the name of SR or its associated persons.

Account statements should be carefully reviewed. SR urges clients to compare statements received from custodians with any reports SR may provide. If there are any differences, please contact SR immediately for resolution.

An unaffiliated, qualified custodian, such as a bank, broker/dealer, mutual fund company, or transfer agent will maintain client assets. Neither SR nor any associated person of SR holds client assets.

## **Item 16: Investment Discretion**

The client must provide SR written discretionary authority over the client's accounts with respect to securities to be bought or sold, the amount of securities to be bought or sold, and the timing of

placing the trade. Details of this relationship are fully disclosed to the client before any advisory relationship has commenced. The client provides SR discretionary authority via a discretionary investment management clause in the Investment Advisory Contract and/or a limited power of attorney clause in the contract between the client and the custodian.

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

SR does not vote proxies on behalf of client securities. Clients maintain exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities they beneficially own will be voted, and (ii) making all elections relative to mergers, acquisitions, tender offers, bankruptcy proceedings, corporate actions, or other types of events pertaining to the client's investments.

SR does not render advice to or take any actions on behalf of clients with respect to any legal proceedings, including bankruptcies and shareholder litigation, to which any securities or other investments held in client accounts, or the issuers thereof, become subject, and does not initiate or pursue legal proceedings, including without limitation shareholder litigation, on behalf of clients with respect to transactions, securities, or other investments held in client accounts. The right to take any actions with respect to legal proceedings, including shareholder litigation, with respect to transactions, securities, or other investments held in a client account is expressly reserved to the client.

### **Item 18: Financial Information**

#### **A. Balance Sheet**

SR does not require or solicit prepayment of more than \$500 in fees per client six months or more in advance and therefore does not need to include a balance sheet with this brochure.

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

Neither SR nor its management have any financial conditions that are likely to reasonably impair their ability to meet contractual commitments to clients.

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

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