

Item 1 – Cover Page



GUNN & COMPANY INVESTMENT MANAGEMENT, INC.

REGISTERED INVESTMENT ADVISOR

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This brochure (“Brochure”) provides information about the qualifications and business practices of Gunn & Company Investment Management, Inc. (“GCIM”). If you have any questions about the contents of this Brochure, please contact Susan Hughes, Chief Compliance Officer at (904) 296-2025 or shughes@gunnchamberlain.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about GCIM is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This item will discuss only specific material changes that have been made to the Brochure since the last annual updating amendment on March 27, 2020. Information related to GCIM’s disciplinary history and the disciplinary history of its supervised persons has changed as follows.

In December 2013, one of GCIM’s shareholders, Marshall D. Gunn, Jr., was personally named in a complaint by the SEC. In June 2020, the U.S. District Court for the District of Colorado entered a final consent judgment against Marshall D. Gunn, Jr., in connection with his role in a prime bank scheme orchestrated by Daniel Dirk Coddington. The SEC’s complaint alleges that Coddington defrauded investors by soliciting investments in collateralized mortgage obligations (“CMO”s). According to the SEC’s complaint, Gunn made false and misleading statements about the trading program to solicit investors. Gunn consented to entry of a final judgment without admitting or denying the allegations of the complaint, and agreed to be permanently enjoined from future violations of the antifraud provisions of Section 17(a) of The Securities Act of 1933 (the “Securities Act”), and Section 10(b) of The Securities Exchange Act of 1934 (the “Exchange Act”) and Rule 10b-5 thereunder and the securities registration provisions of Sections 5(a) and (c) of the Securities Act and the broker-dealer registration provision of Section 15(a) of the Exchange Act. Gunn agreed to pay disgorgement of \$197,500, prejudgment interest of \$33,754 and a civil penalty of \$50,000.

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Item 4 – Advisory Business

GCIM was founded in 1996. GCIM is principally owned by Marshall D. Gunn, Jr. GCIM provides investment advisory services to a variety of clients. Current discretionary assets under management as of December 31, 2020 are approximately \$189,798,253. GCIM does not manage any non-discretionary accounts.

GCIM assists clients in identifying their financial goals and objectives and provides clients with advice specific to their particular circumstances, which may include, but is not limited to investment strategy and asset allocation, tax considerations, and estate planning. Investment selection and portfolio management are provided by way of a sub-advisory agreement with an unaffiliated third-party money manager, CPS Investment Advisors (“CPS”). GCIM clients and potential clients will receive the SEC Form ADV Part 2 disclosure brochure from GCIM for CPS. Clients may request an updated version of this brochure at any time.

GCIM offers investment supervisory services through CPS’s 401(k) Daily Valuation program. This is a service GCIM offers to clients that GCIM has designated as companies. A third-party administrator is hired by CPS to perform accounting and document preparation functions.

GCIM clients complete an Investment Policy Statement, which outlines a client’s goals, risk tolerances, investment horizon, among other things. The Investment Policy Statement also allows for a client to provide specific instructions or restrictions regarding the management of their portfolio. CPS manages the client’s portfolio based upon the client’s individual needs as exhibited in the client’s Investment Policy Statement.

When appropriate to the needs of the client, margin transactions may be recommended within the client’s Investment Policy Statement. Because these margin transactions involve a certain additional degree of risk, they will only be recommended when consistent with the client’s stated tolerance for risk.

Item 5 – Fees and Compensation

GCIM’s annual fee for investment advisory services will be charged as a percentage of assets under management. CPS’ annual fee for investment management services will also be charged as a percentage of assets under management. The fees are represented in the table below. In limited circumstances and at GCIM’s sole discretion, GCIM’s fees may be negotiable. In limited circumstances and at CPS’ discretion, for accounts in excess of \$5 million CPS’ fees may be negotiable.

Assets Under Management	GCIM	CPS	Total Annual Fee
The portion of assets between \$0 - \$3,000,000	1.000%	0.500%	1.500%
For portion of assets between \$3,000,001 - \$5,000,000	0.670%	0.330%	1.000%
For portion over \$5 million	0.500%	0.250%	0.750%

Additionally, GCIM offers 401(k) services to qualifying clients through CPS’ 401(k) Daily Valuation program as described above in Item 4. GCIM’s annual fee for investment advisory services will be charged as a percentage of assets under management. CPS’ annual fee for investment management services will also be charged as a percentage of assets under management. The fees are represented in the table below and are negotiable at GCIM and CPS’ sole discretion.

Assets Under Management	GCIM	CPS	Total Annual Fee
The portion of assets up to \$1,000,000,000	0.750%	0.250%	1.000%

The specific manner in which fees are charged is established in the client's written investment advisory agreement. GCIM bills fees quarterly in advance based on the market value of a client's portfolio on the last business day of the previous calendar quarter. New accounts are billed a prorated fee. Investment advisory agreements may be terminated with 30 days written notice. Upon termination of an account, GCIM will promptly refund a pro-rata portion of any unearned fees. Any earned, unpaid fees will be due and payable.

Clients may but are not required to grant GCIM the authority to debit advisory fees for GCIM and CPS directly from the clients' accounts. If the client authorizes GCIM to debit fees, GCIM is deemed to have custody of the client's funds. Clients will receive a statement from the third-party custodian, usually monthly but no less than quarterly, directly from their account custodian. GCIM urges clients to review the information on the statement for accuracy and compare the information to any reports received directly from CPS. Please refer to Item 15 of this document for additional information relating to custody.

Fees paid to GCIM are exclusively for investment advisory services. Clients may incur certain other charges imposed by broker-dealers, custodians, and other third parties. Those fees may include, but are not limited to, transaction fees, custodial fees, short-term redemption fees, mark-ups/mark-downs, dealer spreads, wire-transfer fees, electronic fund fees, and taxes or other costs associated with the account, among other things. Mutual funds, exchange-traded funds ("ETF"s) and other investment company securities also charge internal management fees, which are disclosed in a fund's prospectus. Additionally, a third-party administrator is hired by CPS to perform accounting and document preparation functions. GCIM does not receive any portion of these commissions, fees or additional expenses paid by the client. Item 12 further discussed GCIM's brokerage practices, including the process for selecting and recommending broker-dealers and determining the reasonableness of the commissions and other fees charged to the client.

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

GCIM does not charge any clients a performance-based fee.

Item 7 – Types of Clients

GCIM generally provides investment advisory services to individuals, trusts, estates, corporations and small business owners, pension plans, foundations and other charitable entities.

While GCIM does not require clients maintain a minimum account size, CPS may impose its own minimums on the size of account they will accept.

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

GCIM uses the information gathered from the client in the Investment Policy Statement to recommend a specific asset allocation and investment strategy. Implementation of the investment strategy may include, but is not limited to, an individual stock or bond portfolio, a mutual fund/ETF portfolio, or some combination of those security types.

GCIM's investment strategy, through utilization of CPS, is to identify companies with strong balance sheets, dependable earnings, history of increasing dividends, significant overseas exposure and a dominate player in their respective industry. These companies have competitive advantages over their competitors; this allows them to withstand the volatility the market can provide. CPS buys with a margin of safety and monitor until such time the company is overvalued, at which time it may be sold, and the proceeds reinvested in another undervalued company. CPS understands the importance of diversification, therefore, properly diversifying all client accounts can likely lead to better performance over time. In areas where market research is limited, CPS may elect to incorporate mutual funds, index funds, or exchange traded funds to adequately diversify the client account.

Investing in securities involves risk of loss that clients should be prepared to bear. GCIM uses its best judgment and good faith efforts in providing advisory services to clients. GCIM cannot warrant or guarantee any particular level of account performance, or that an account will be profitable over time. Not every investment decision or recommendation made by GCIM will be profitable. Investments in securities are subject to various market, currency, inflation, economic, political and business risks, among other risks. GCIM attempts to minimize these risks by recommending diversified portfolios constructed to meet the specific goals and objectives of each client.

Option writing: Although rarely, CPS may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts: A call gives CPS the right to buy an asset at a certain price within a specified period of time. CPS will buy a call if it's been determined that the stock will increase substantially before the option expires. A put gives CPS the holder the right to sell an asset at a certain price within a specific period of time. CPS will buy a put if CPS has determined that the price of the stock will fall before the option expires.

CPS may use options to speculate on the possibility of a sharp price swing. CPS may also use options to "hedge" a purchase of the underlying security; in other words, CPS may use an option purchase to limit the potential upside and downside of a security CPS has purchased for the client's portfolio.

CPS may use "covered calls" in which CPS sells an option on a security that a client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price. A risk of covered calls is that the option buyer does not have to exercise the option, so that if CPS wanted to sell the stock prior to the end of the option agreement, CPS has to buy the option back from the option buyer, for a possible loss.

CPS may use a "straddle", in which CPS purchases two or more option contracts (for example, a call option that a client buys and a call option that a client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors. A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

GCIM's business activities could be materially adversely affected by pandemics, epidemics, and

outbreaks of disease in Asia, Europe, North American and/or globally or regionally, such as COVID-19, Ebola, H1N1 flu, H7N9 flu, H5N1 flu, Severe Acute Respiratory Syndrome (SARS), and/or other epidemics, pandemics, outbreaks of disease, viruses and/or public health issues. Specifically, COVID-19 has spread (and is currently spreading) rapidly around the world since its initial emergence in China in December 2019 and has severely negatively affected (and may continue to materially adversely affect) the global economy and equity markets (including, in particular, equity markets in Asia, Europe and the United States). Although the long-term effects of consequences of COVID-19 and/or other epidemics, pandemics and outbreaks of disease cannot currently be predicted, previous occurrences of other pandemics, epidemics and other outbreaks of disease, such as H5N1 flu, SARS and the Spanish flu, had a material adverse effect on the economics and markets of those countries and regions in which they were most prevalent. Any occurrence of recurrence (or continued spread) of an outbreak of any kind of epidemic, communicable disease or virus or major public health issue could cause a slowdown in the levels of economic activity generally (or cause the global economy to enter into a recession or depression), which would adversely affect the business, financial condition and operations of GCIM. Should these or other major public issues, including pandemics, arise or spread farther (or continue to spread or materially impact the day to day lives of persons around the globe), GCIM could be adversely affected by more stringent travel restrictions, additional limitations on GCIM's operations or business and/or governmental actions limiting the movement of people between regions and other activities or operations (or to otherwise stop the spread or continued spread of any disease or outbreak).

Item 9 – Disciplinary Information

Investment advisers registered with the SEC are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of GCIM or the integrity of GCIM's management.

In December 2013, one of GCIM's shareholders, Marshall D. Gunn, Jr., was personally named in a complaint by the SEC. In June 2020, the U.S. District Court for the District of Colorado entered a final consent judgment against Marshall D. Gunn, Jr., in connection with his role in a prime bank scheme orchestrated by Daniel Dirk Coddington. The SEC's complaint alleges that Coddington defrauded investors by soliciting investments in collateralized mortgage obligations ("CMO"s). According to the SEC's complaint, Gunn allegedly made false and misleading statements about the trading program to solicit investors. Gunn consented to entry of a final judgment without admitting or denying the allegations of the complaint, and agreed to be permanently enjoined from future violations of the antifraud provisions of Section 17(a) of the Securities Act of 1933 (the "Securities Act"), and Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 thereunder and the securities registration provisions of Sections 5(a) and (c) of the Securities Act and the broker-dealer registration provision of Section 15(a) of the Exchange Act. Gunn agreed to pay disgorgement of \$197,500, prejudgment interest of \$33,754 and a civil penalty of \$50,000.

Item 10 – Other Financial Industry Activities and Affiliations

GunnChamberlain, P.L. (“GunnChamberlain”), a certified public accounting firm specializing in income tax, accounting, and business consulting, is principally owned by Marshall D. Gunn, Jr. and shares employees with GCIM. Employees of GCIM have duties both related to GCIM and to GunnChamberlain. GCIM refers clients in need of accounting services to GunnChamberlain, and, likewise, GunnChamberlain, refers clients needing investment advisory services to GCIM. This presents a potential conflict of interest. However, this conflict is mitigated by the fact that GCIM has a fiduciary duty to its clients; GCIM will always put the needs of the clients ahead of any potential monetary gain for either firm. GCIM will consider the individual needs of the client before making a recommendation. If appropriate, although clients may be referred between the related entities, there is no requirement that any client of one firm utilize the services of the other. The services of each entity are provided under separate written agreements.

Item 11 – Code of Ethics

GCIM has adopted a code of ethics (the “Code”) pursuant to Rule 204A-1 of the Investment Advisers Act of 1940 that establishes rules of conduct for all its personnel. The Code is based upon the principle that employees of GCIM owe a fiduciary duty to its clients to conduct their affairs in such a manner as to avoid (1) serving the employees’ own personal interests ahead of clients’ personal interests, (2) taking inappropriate advantage of the employees’ position with the firm and (3) actual or potential conflicts of interests or any abuse of the employees’ position of trust and responsibility.

Among other things, the Code stipulates that access persons are required to submit quarterly transaction reports and annual holdings reports for all personal investments pertaining to covered securities. The reports are reviewed in order to identify and address any conflicts of interest. Furthermore, all supervised persons have a duty to report any violations of the Code to the Chief Compliance Officer.

GCIM employees can utilize the same money manager, CPS, that manages client accounts and follow a similar investment style used for client portfolios. Investment decisions are made solely by the investment manager and not by the employee and, therefore, many transactions in employee accounts will be similar to those made in client accounts. Access persons may also initiate securities transactions for their personal accounts separately from the employee accounts managed by the investment manager. In such situations, investment decisions are made without prior knowledge of client transactions initiated by the investment manager.

GCIM will provide a copy of its Code to clients or potential clients upon request.

Item 12 – Brokerage Practices

In that GCIM provides investment supervisory services, GCIM, through CPS, has the discretionary authority to determine the securities and amounts to be bought and sold. However, GCIM does not initiate any trades on the client's behalf. All investment decisions and trading are done by CPS. Any restriction on this authority must be provided to GCIM in writing and included in the Investment Policy Statement.

While GCIM does not initiate any trades for any clients, it still has a fiduciary duty to its clients to seek best execution of securities transactions. GCIM continually reviews the services of the custodians/brokers it recommends to clients to assess whether those services are reasonable in light of the amount of fees and commissions paid by the client. In addition, GCIM monitors the activities of CPS to determine that other parties are upholding their fiduciary duty as well.

Ultimately, custodians are chosen for clients by CPS. The custodian to be utilized will largely depend on the type of client account. GCIM clients may maintain accounts at Fidelity Investments ("Fidelity"), NATC, iShares 529 Plan, Mid-Atlantic Group, Ascensus or Aspire. CPS most often utilizes the services of Fidelity. Fidelity offers discounted commission rates, availability of no-load mutual funds, electronic trading, daily transaction downloads, and dedicated service team. NATC, Mid-Atlantic, Ascensus and Aspire are preferred for select clients due to their specialized reporting and maintenance for retirement accounts.

GCIM may receive access to free or discounted research materials in exchange for having client assets custodied with Fidelity. Fidelity may also provide free industry information that does not qualify as research, such as newsletter or other publications pertaining to compliance, marketing, practice management, etc. In addition, events such as workshops or conferences may be available at reduced cost or no cost. These benefits are not provided on the basis of client transactions. Under no circumstances do any clients pay additional fees or commissions in order to obtain these products or services. GCIM does not have any formal or informal soft dollar arrangements. While GCIM may receive benefits such as those noted above, clients do not incur any additional costs as a result of these benefits.

Not all advisors require the use of a particular custodian or broker/dealer. By directing brokerage, GCIM may be unable to achieve the most favorable execution of client transactions and this may cost clients more money. GCIM receives no fees or compensation for recommending these brokers/custodians, but may receive other benefits.

Clients may direct GCIM to use the services of a specific broker/dealer. However, GCIM may decline to accept an account if the client's request is inconsistent with GCIM's investment approach. If GCIM accepts an account subject to client direction, GCIM may not be able to attain best execution of client transactions. Directed transactions could result in additional costs to the client.

CPS may, from time to time, aggregate client trades using block orders. If this strategy is used, all clients within the aggregate filled trade will receive the same price. Aggregate trades are used to move in and out of a particular investment quickly which could improve the execution of the trade.

Item 13 – Review of Accounts

CPS' Portfolio Analysts and Senior Portfolio Analysis review client portfolios to ensure compliance with each client's goals and objectives. Portfolio reviews and any necessary rebalancing are conducted quarterly.

Additional reviews may occur more frequently due to such factors as inflows to or outflows from an account, significant market movements, or other factors as deemed necessary.

Additionally, the Chief Compliance Officer, Susan Hughes, conducts quarterly reviews of selected client portfolios to verify that a client's asset allocation remains in line with the target allocation. GCIM recommends annual appointments to discuss any changes and updates to a client's financial situation and to ensure the asset allocation and investment strategy continues to be appropriate.

Written portfolio management account reports are prepared by CPS and delivered on a quarterly basis. GCIM is sent a confirmation of mailing from CPS every quarter. Clients also receive written statements directly from their account custodian generally on a monthly basis, but no less frequently than quarterly. Additional written reports may be available upon request. Clients are urged to compare information contained in the reports provided by CPS with the account statements received directly from the account custodian.

Item 14 – Client Referrals and Other Compensation

GCIM has arrangements with one or more unrelated third parties whom act as solicitors for GCIM. GCIM agrees to compensate the solicitor/third parties a cash referral fee according to an ongoing fee-sharing agreement. Clients referred to GCIM in accordance with any solicitation arrangement do not pay a higher fee for advisory services as a result of the referral. The details of any such payments to any solicitor are described, acknowledged and accepted by clients in a signed Solicitors Disclosure Document, in accordance with Rule 206(4)-3 of the Investment Advisers Act of 1940, which is provided with the initial client documentation.

Additionally, GunnChamberlain refers clients needing investment advisory services to GCIM. This presents a potential conflict of interest. However, this conflict is mitigated by the fact that GCIM has a fiduciary duty to its clients; GCIM will always put the needs of the clients ahead of any potential monetary gain for either firm. GCIM will consider the individual needs of the client before making a recommendation. If appropriate, although clients may be referred between the related entities, there is no requirement that any client of one firm utilize the services of the other. The services of each entity are provided under separate written agreements.

Item 15 – Custody

GCIM is deemed to have custody of client funds to the extent that GCIM directly debits fees from client accounts. Debiting of fees is done pursuant to authorization provided by each client. CPS sends each client a series of quarterly reports, including, but not limited to, holdings and an advisory fee invoice. Usually monthly but no less frequently than quarterly, clients will receive account statements directly from their account custodian. Custodial statements may include account holdings, market values and any activity that occurred during the period, including purchases and sales, additions and withdrawals, income, dividends and capital gains. GCIM urges clients to compare information contained in the reports provided by CPS with the account statements received directly from the account custodian.

GunnChamberlain performs certain accounting functions for clients as requested, such as bill-pay and payroll services. To the extent that clients of GCIM engage GunnChamberlain for these services, GCIM may be deemed to have custody of those clients' bank accounts. As such, and in accordance with the applicable rules and regulations, GCIM has engaged the services of an independent public accountant to perform a custody audit of those accounts.

Item 16 – Investment Discretion

Clients grant GCIM discretion over their account by providing authorization in the investment advisory agreement. This discretionary authority authorizes GCIM and CPS to buy, sell or otherwise trade in any stocks, bonds or other securities. Investment discretion is limited only by specific instructions, guidelines and/or mandates provided by clients in writing and to which GCIM agrees.

Item 17 – Voting Client Securities

GCIM does not have any authority to and does not vote proxies on behalf of advisory clients. GCIM will have no obligation to render advice or take any action with respect to any securities subject to any legal proceedings, such as class action lawsuits or bankruptcy. Clients will receive all proxies and other solicitations directly from their account custodian.

Item 18 – Financial Information

Registered investment advisers are required to provide you with certain financial information or disclosures about GCIM's financial condition. GCIM has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of any bankruptcy proceeding.