

**Item 1 – Cover Page**



**ADV Part 2A – Firm Brochure**

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March 29, 2021

Chief Compliance Officer: Andrew Quinn

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**This brochure provides information about the qualifications and business practices of Quinn Stauffer Financial, LLC (the “Registrant”). If you have any questions about the contents of this brochure, please contact us at (615) 297-3434 or [andrew@qs-financial.com](mailto:andrew@qs-financial.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Quinn Stauffer Financial, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to Quinn Stauffer Financial, LLC as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2 – Material Changes**

There have been no material changes made to Quinn Stauffer Financial, LLC’s disclosure statement since last year’s Annual Amendment filing on March 31, 2020.

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#### **Item 4 – Advisory Business**

- A. Catherine V. (Kay) Quinn founded Kay Quinn Financial as a sole proprietorship on April 15, 2002. Effective February 26, 2004, the Registrant became a Registered Investment Advisor with the Securities and Exchange Commission (“SEC”). On December 18, 2008, the Registrant changed from a sole proprietorship to a Limited Liability Corporation, Kay Quinn Financial, LLC. On January 1, 2011, the Registrant changed its name to Quinn Financial Partners, LLC. Effective June 28, 2012, the Registrant became a state Registered Investment Advisor when it withdrew from SEC registration status. Effective January 24, 2015, the Registrant re-applied for registration with the SEC as an Investment Advisor. Effective February 25, 2016, the Registrant changed its name to Quinn Stauffer Financial, LLC.

The Registrant is owned by Catherine V. (Kay) Quinn, John P. Stauffer, and G. Andrew Quinn. Mr. Stauffer and Mr. Quinn became partners and equity owners on January 1, 2014. Kay Quinn remains the majority owner.

- B. As discussed below, the Registrant offers to its clients (individuals, high net worth individuals, pension and profit sharing plans, trusts, estates and charitable organizations, etc.) investment advisory services, and, to the extent specifically requested by a client, financial planning and related consulting services.

#### **INVESTMENT ADVISORY SERVICES**

The client can engage the Registrant to provide discretionary and/or non-discretionary investment advisory services on a fee-only basis. The Registrant’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under the Registrant’s management. Before engaging the Registrant to provide investment advisory services, clients are required to enter into an Investment Advisory Agreement with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client.

Registrant’s annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services (to be determined in the sole discretion of the Registrant), the Registrant may determine to charge for such additional services pursuant to a stand-alone Financial Planning Agreement (see below).

To commence the investment advisory process, an investment adviser representative will first ascertain each client’s investment objectives and then allocate the client’s investment assets consistent with the designated investment objectives. Once allocated, the Registrant provides ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives, and may periodically execute account transactions based upon such reviews.

#### **RETIREMENT CONSULTING**

The Registrant also provides non-discretionary and discretionary pension consulting services, pursuant to which it assists sponsors of self-directed 401k plans with the selection and/or monitoring of designated investment alternatives (generally open-end mutual funds and models) from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. In addition, to the extent requested by the plan sponsor, the Registrant shall also provide participant education designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts.

### **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

To the extent specifically requested by a client, the Registrant *may* determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone separate fee basis. Registrant's planning and consulting fees are negotiable, but generally range from \$500.00 to \$5,000.00 on a fixed fee basis, and from \$125.00 to \$200.00 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging the Registrant to provide planning or consulting services, clients are generally required to enter into a *Financial Planning and Consulting Agreement* with Registrant setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Registrant commencing services. If requested by the client, Registrant may recommend the services of other professionals for implementation purposes, including certain of the Registrant's representatives in their individual capacities as licensed insurance agents (*see disclosure at Item 10 C*). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

### **MISCELLANEOUS**

**Non-Investment Consulting/Implementation Services.** To the extent requested by the client, the Registrant *may* provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither the Registrant, nor any of its representatives, serves as an attorney or accountant, and no portion of the Registrant's services should be construed as same. To the extent requested by a client, the Registrant may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance, etc.), including certain of the representatives of the Registrant in their separate licensed capacities as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the Registrant. **Please Note:** If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the client's responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Portfolio Activity.** Registrant has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Registrant will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when Registrant determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, there can be no assurance that investment decisions made by Registrant will be profitable or equal any specific performance level(s). Clients remain subject to the fees described in Item 5 below during periods of account inactivity.

**Please Note: Cash Positions.** At any specific point in time, depending upon perceived or anticipated market conditions/events (there being **no guarantee** that such anticipated market conditions/events will occur), the Registrant *may* maintain cash positions for defensive purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating the Registrant's advisory fee. **The Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding the above fee billing practice.**

**Trade Error Policy.** Registrant shall reimburse accounts for losses resulting from the Registrant's trade errors, but shall not credit accounts for such errors resulting in market gains. The gains and losses are reconciled within the Registrant's custodian firm account and Registrant retains the net losses and distributes all net gains to a charitable organization.

**Client Obligations.** In performing its services, Registrant shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the Registrant if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising Registrant's previous recommendations and/or services.

**Retirement Rollovers - Potential for Conflict of Interest:** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If the Registrant recommends that a client roll over their retirement plan assets into an account to be managed by the Registrant, such a recommendation creates a conflict of interest if the Registrant will earn a new (or increase its current) advisory fee as a result of the rollover. **No client is under any obligation to roll over retirement plan assets to an account managed by Registrant. The Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

**Disclosure Statement.** A copy of the Registrant's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of *the Investment Advisory Agreement or Financial Planning and Consulting Agreement*. Any client who has not received a copy of Registrant's written Brochure at least 48 hours prior to executing the *Investment Advisory Agreement or Financial Planning and Consulting Agreement* shall have five business days subsequent to executing the agreement to terminate the Registrant's services without penalty.

- C. The Registrant shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment adviser representative will ascertain each client's investment objective(s). Thereafter, the Registrant shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on the Registrant's services.
- D. The Registrant does not participate in a wrap fee program.

- E. As of December 31, 2020, the Registrant had approximately \$258,857,744 in assets under management on a discretionary basis.

## **Item 5 – Fees and Compensation**

- A. The client can determine to engage the Registrant to provide discretionary investment advisory services on a fee basis.

### **INVESTMENT ADVISORY SERVICES**

If a client determines to engage the Registrant to provide discretionary investment Advisory services on a fee basis, the Registrant's annual investment advisory fee shall be based upon a negotiable percentage (%) of the market value and type of assets placed under the Registrant's management (between 0.50% and 1.25%) as follows:

#### **Strategic Asset Management (Active & Passive Strategies)**

<u>Account Size</u>	<u>Maximum Annual Fee</u>
First \$250,000	1.25%
Next \$750,000	1.00%
Next \$500,000	0.75%
Above \$1,500,000	0.50%

#### **Traditional Asset Management**

<u>Account Size</u>	<u>Maximum Annual Fee</u>
First \$250,000	1.00%
Next \$750,000	0.75%
Above \$1,000,000	0.50%

#### **529 Plan Asset Management**

Flat Fee of 0.50% on total balance

***\* Note:** The material differences between the Strategic and Traditional investment strategies are detailed in item 8.*

*Example:* Household with \$375,000 of AUM under Strategic Asset Management schedule would be charged annually 1.25% on the first \$250,000 and 1.00% on the remaining \$125,000.

**Conflict of Interest:** Although Registrant will allocate client assets consistent with the client's designated investment objective(s), the fact that Registrant earns a higher fee for its Strategic Asset Management strategies, as referenced in the above fee schedule, presents a conflict of interest because Registrant has an economic incentive to allocate more assets and/or recommend that a client engage in the strategy from which it will derive the highest advisory fee. **The Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions concerning questions regarding this conflict of interest.**

Registrant, in its sole discretion, may charge a lesser investment advisory fee and/or charge a flat fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, prior fee

schedules, competition, negotiations with client, etc.). Please Note: As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS: Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding advisory fees.**

#### **FINANCIAL PLANNING AND CONSULTING SERVICES (STAND-ALONE)**

To the extent specifically requested by a client, the Registrant may determine to provide financial planning and/or consulting services (including investment and non-investment related matters, including estate planning, insurance planning, etc.) on a stand-alone fee basis. Registrant's planning and consulting fees are negotiable, but generally range from \$500.00 to \$5,000.00 on a fixed fee basis, and from \$125.00 to \$200.00 on an hourly rate basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

- B. Clients may elect to have the Registrant's advisory fees deducted from their custodial account. Both Registrant's *Investment Advisory Agreement* and the custodial/clearing agreement may authorize the custodian to debit the account for the amount of the Registrant's investment advisory fee and to directly remit that management fee to the Registrant in compliance with regulatory procedures. In the limited event that the Registrant bills the client directly, payment is due upon receipt of the Registrant's invoice. The Registrant shall deduct fees and/or bill clients quarterly in arrears, based upon the market value of the assets on the last business day of the previous quarter.
- C. As discussed below, unless the client directs otherwise or an individual client's circumstances require, the Registrant shall generally recommend that TD Ameritrade ("TD Ameritrade") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as TD Ameritrade charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). The Registrant generally does not recommend securities that incur commissions or transaction fees. However, in limited circumstances, the Registrant, either on its own initiative or at the recommendation of the client, will incur transaction fees or commissions on client's behalf. In addition to Registrant's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed income and/or equity transactions may be effected through broker-dealers with whom Registrant and/or the client have entered into arrangements for prime brokerage clearing services, including effecting certain client transactions through other SEC registered and FINRA member broker-dealers (in which event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "tradeaway" fee charged by TD Ameritrade).
- D. Registrant's annual investment advisory fee shall be prorated and paid quarterly, in arrears, based upon the market value of the assets on the last business day of the previous quarter, prorated for any deposits and withdrawals during the quarter. The Registrant does not generally require an annual minimum fee or asset level for investment advisory services. However, Registrant, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.).
- E. The *Investment Advisory Agreement* between the Registrant and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the *Investment*

*Advisory Agreement.* Upon termination, a pro-rated portion of the earned but unpaid advisory fee shall be due.

- F. Neither the Registrant, nor its representatives accept compensation from the sale of securities or other investment products.

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

Neither the Registrant nor any supervised person of the Registrant accepts performance-based fees.

### **Item 7 – Types of Clients**

The Registrant's clients shall generally include individuals, high net worth individuals, pension and profit sharing plans, trusts, estates and charitable organizations. The Registrant does not generally require an annual minimum fee or asset level for investment advisory services.

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

- A. The Registrant shall utilize the following methods of security analysis:
- Charting - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)
  - Fundamental - (analysis performed on historical and present data, with the goal of making financial forecasts)
  - Technical – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)
  - Cyclical – (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

The Registrant shall utilize the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by the Registrant) will be profitable or equal any specific performance level(s).

- B. The Registrant's methods of analysis and investment strategies do not present any significant or unusual risks.

However, every method of analysis has its own inherent risks. To perform an accurate market analysis the Registrant must have access to current/new market information. The Registrant has no control over the dissemination rate of market information; therefore, unbeknownst to the Registrant, certain analyses may be compiled with outdated market information, severely limiting



the value of the Registrant's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable and/or profitable investment opportunities.

The Registrant's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will generally incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy, generally. The Registrant primarily recommends mutual funds and ETFs that do not incur transaction fees on the clients' behalf. In limited circumstances, clients will incur transaction fees when the Registrant invests in individual equity securities.

- C. Currently, the Registrant primarily allocates client investment assets among various mutual funds and/or exchange traded funds ("ETFs") on a discretionary basis in accordance with the client's designated investment objective(s).

The Registrant also selects and manages individual stocks and bonds for those clients that wish to own individual securities, in accordance with the client's designated investment objective(s).

The Registrant offers the following two types of investment management services:

- 1) ***Strategic:*** Proprietary Asset Allocation Models (Conservative, Balanced, Growth, Aggressive Growth, High Yield Bond)
- 2) ***Traditional:*** (1) Individual Bonds; (2) Qualified Employer Plans with Restricted Investment Options; (3) 529 accounts

**1) Strategic:** The Registrant shall select investments from a universe of mutual funds and exchange traded funds (ETFs). Such investment choices shall be based upon the suitability information provided to the Registrant by the client. Additionally, the client will complete a suitability form which will allocate his/her managed account to a combination of "core" funds (primarily bond and conservative allocation funds) and "growth" funds (primarily equity funds).

The "core" funds chosen by Registrant are the portion consisting of lower volatility, lower standard deviation mutual funds. The "core" portion of the portfolio is monitored daily, but trades less frequently. If the comprising mutual funds change in criteria (including but not limited to volatility, standard deviation, performance), changes to positions may be made. Such factors as yield, average maturity, credit quality, duration and standard deviation are considered in the construction of this portion of models.

The "growth" portions of the accounts, chosen by Registrant, consist primarily of index funds or ETFs. However, if an account that the Registrant manages only has mutual fund choices, Registrant will choose a mutual fund that it feels most closely correlates to the corresponding index. The "growth" portion is monitored daily and represents the higher volatility and standard deviation portion of the models. This portion is constructed of a diversified allocation of domestic and

international equity funds. Such factors as size, style, sector, yield, geography, beta, correlation and standard deviation are considered in the construction of this portion of the models.

Clients have the option to select an “active” or “passive” management approach to the asset allocation models. If “active” is selected, at a given time, 100% of the “core” and/or “growth” portions of the client’s account could be invested in an index or mutual fund “in the market” or in a money market or cash position. The client’s suitability determines the allocation of the account to “core” and/or “growth”. If “passive” is selected, the “core” and “growth” portions of the client’s account will typically remain fully invested in index or mutual funds.

The Registrant shall also select individual stocks as part of managed stock strategies. These will include both short and long-term holding periods.

**2) Traditional:** The Registrant shall select individual bonds for client accounts. For qualified employer retirement plans with limited investment options, the Registrant shall select and monitor a diversified fund allocation, using the fund options available to the plan. Such investment choices shall be based upon the suitability information provided to the Registrant by the client. Registrant will review at least quarterly the composition of the accounts using traditional management for recommendations in rebalancing.

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Registrant’s asset allocation strategies have been designed to comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, such as Registrant’s asset allocation programs, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is applicable to Registrant’s management of client assets:

1. Initial Interview – at the opening of the account, the Registrant, through its designated representatives, shall obtain from the client information sufficient to determine the client’s financial situation and investment objectives;
2. Individual Treatment - the account is managed on the basis of the client’s financial situation and investment objectives;
3. Quarterly Notice – at least quarterly the Registrant shall notify the client to advise the Registrant whether the client’s financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
4. Annual Contact – at least annually, the Registrant shall contact the client to determine whether the client’s financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of the account;
5. Consultation Available – the Registrant shall be reasonably available to consult with the client relative to the status of the account;
6. Quarterly Report – the client shall be provided with a quarterly report for the account for the preceding period;
7. Ability to Impose Restrictions – the client shall have the ability to impose reasonable restrictions on the management of the account, including the ability to instruct the Registrant not to purchase certain mutual funds;
8. No Pooling – the client’s beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the account;

9. Separate Account - a separate account is maintained for the client with the Custodian;
10. Ownership – each client retains indicia of ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

Registrant's investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

### **Item 9 – Disciplinary Information**

On March 12, 2013, Ms. Catherine V. Quinn and Registrant entered into a Consent Order (the "Consent Order") with the Tennessee Securities Division ("TSD") of the Tennessee Department of Commerce and Insurance. The Consent Order resulted from TSD's investigation into the sale of fractional deeds of trust and the subsequent sale of those deeds of trust which were combined into a Regulation D Security offering. TSD found that in 2007, Ms. Quinn and Registrant recommended and facilitated the purchase of six unregistered, unsuitable and illiquid real estate investment contracts to its clients and determined that as a result, Registrant and Ms. Quinn breached its duty to perform adequate due diligence and also breached their fiduciary duty by offering investments to clients that were not suitable to those clients' investment objectives, financial situations and needs. The Consent Order therefore required Ms. Quinn to pay civil penalties of \$15,000; and further required Registrant and Ms. Quinn to cease and desist from any future similar conduct.

Ms. Quinn and the Registrant entered into the Consent Order with TSD in an effort to avoid prolonged and expensive regulatory proceedings. The Consent Order did not and does not impose any restrictions upon Ms. Quinn's or the Registrant's ability to conduct advisory operations.

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

- A. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Registrant, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.
- C. **Licensed Insurance Agents.** Catherine V. (Kay) Quinn, John P. Stauffer, and Andrew Quinn in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4B above, clients can engage certain of Registrant's representatives to effect insurance transactions on a commission basis.
  - **Conflict of Interest:** The recommendation by Catherine V. (Kay) Quinn, John P. Stauffer or Andrew Quinn that a client purchase a securities or insurance commission product presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend investment products based on commissions received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Catherine V. (Kay) Quinn, John P. Stauffer or Andrew Quinn. Clients are reminded that they may purchase insurance products recommended by Registrant through

other, non-affiliated insurance agents. **The Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.**

- D. The Registrant does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

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

- A. The Registrant maintains an investment policy relative to personal securities transactions. This investment policy is part of Registrant's overall Code of Ethics, which serves to establish a standard of business conduct for all of Registrant's Representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, the Registrant also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Registrant or any person associated with the Registrant.

- B. Neither the Registrant nor any related person of Registrant recommends, buys, or sells for client accounts, securities in which the Registrant or any related person of Registrant has a material financial interest.
- C. The Registrant and/or representatives of the Registrant *may* buy or sell securities that are also recommended to clients. This practice may create a situation where the Registrant and/or representatives of the firm are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if the Registrant did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of the Registrant's clients) and other potentially abusive practices.

The Registrant has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of the Registrant's "Access Persons". The Registrant's securities transaction policy requires that an Access Person of the Registrant must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date the Registrant selects; provided, however that at any time that the *Firm* has only one Access Person, he or she shall not be required to submit any securities report described above.

- D. The Registrant and/or representatives of the Registrant *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where the Registrant and/or representatives of the firm are in a position to materially benefit from the sale

or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above in Item 11 C, the Registrant has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Registrant's Access Persons.

## **Item 12 – Brokerage Practices**

- A. In the event that the client requests that the Registrant recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct the Registrant to use a specific broker-dealer/custodian), Registrant generally recommends that investment management accounts be maintained at *TD Ameritrade*. Prior to engaging Registrant to provide investment management services, the client will be required to enter into a formal *Investment Advisory Agreement* with Registrant setting forth the terms and conditions under which Registrant shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that the Registrant considers in recommending *TD Ameritrade* (or any other broker-dealer/custodian to clients) include historical relationship with the Registrant, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Registrant's clients shall comply with the Registrant's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where the Registrant determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Registrant will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Registrant's investment management fee. The Registrant's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

1. **Research and Additional Benefits**

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Registrant can receive from *TD Ameritrade* (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist the Registrant to better monitor and service client accounts maintained at such institutions. Included within the support services that can be obtained by the Registrant can be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Registrant in furtherance of its investment advisory business operations.

Certain of the above support services and/or products assist the Registrant in managing and administering client accounts. Others do not directly provide such assistance, but rather assist the Registrant to manage and further develop its business enterprise.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *TD Ameritrade* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *TD Ameritrade* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**The Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.**

2. The Registrant does not receive referrals from broker-dealers.
3. The Registrant does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and Registrant will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Registrant. As a result, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

**Please Note:** In the event that the client directs Registrant to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Registrant. Higher transaction costs adversely impact account performance. Transactions for directed accounts will generally be executed following the execution of transactions for non-directed accounts.

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- B. To the extent that the Registrant provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless the Registrant decides to purchase or sell the same securities for several clients at approximately the same time. The Registrant may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Registrant's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. The Registrant shall not receive any additional compensation or remuneration as a result of such aggregation.

### **Item 13 – Review of Accounts**

- A. For those clients to whom Registrant provides investment supervisory services, account reviews are conducted on an ongoing basis by the Registrant's Principals and representatives. All investment supervisory clients are advised that it remains their responsibility to advise the Registrant of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with the Registrant on an annual basis.
- B. The Registrant *may* conduct account reviews on other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.
- C. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

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

- A. As referenced in Item 12.A.1 above, the Registrant may receive an indirect economic benefit from *TD Ameritrade*. The Registrant, without cost (and/or at a discount), may receive support services and/or products from *TD Ameritrade*.

Registrant's clients do not pay more for investment transactions effected and/or assets maintained at *TD Ameritrade* as a result of this arrangement. There is no corresponding commitment made by the Registrant to *TD Ameritrade* or any other any entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

**The Registrant's Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.**

- B. The Registrant does not compensate, directly or indirectly, any person, other than its representatives, for client referrals.

### **Item 15 – Custody**

The Registrant shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. The Registrant may also provide a written periodic report summarizing account activity and performance.

**Please Note:** To the extent that the Registrant provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by the Registrant with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of the Registrant's advisory fee calculation.

The Registrant engages in other practices and services on behalf of its clients that require disclosure at ADV Part 1, Item 9. Some of the practices and services subject the affected account(s) to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940. In addition, certain clients have signed asset transfer authorizations which permit the qualified custodian to rely upon instructions from the Registrant to transfer client funds to “third parties.” These arrangements are also reflected at ADV Part 1, Item 9, but in accordance with the guidance provided in the SEC’s February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise CPA examination.

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

The client can determine to engage the Registrant to provide investment advisory services on a discretionary basis. Prior to the Registrant assuming discretionary authority over a client’s account, the client shall be required to execute an *Investment Advisory Agreement*, naming the Registrant as the client’s attorney and agent in fact, granting the Registrant full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client’s name found in the discretionary account.

Clients who engage the Registrant on a discretionary basis may, at any time, impose restrictions, in writing, on the Registrant’s discretionary authority. (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe the Registrant’s use of margin, etc.).

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

- A. The Registrant does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client’s investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact the Registrant to discuss any questions they may have with a particular solicitation.

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

- A. The Registrant does not solicit fees of more than \$1,200, per client, six months or more in advance.
- B. The Registrant is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.
- C. The Registrant has not been the subject of a bankruptcy petition.

**ANY QUESTIONS: The Registrant’s Chief Compliance Officer, Andrew Quinn, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.**