

**J.E. Sandifer Financial Consultants, Inc.**

**d/b/a**

**Sandifer & Associates**

Form ADV Part 2A

Investment Adviser Brochure

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**February 15, 2018**

This Brochure provides information about the qualifications and business practices of J. E. Sandifer Financial Consultants, Inc. d/b/a Sandifer & Associates. If you have any questions about the contents of this Brochure, please contact James E. Sandifer, President and Chief Compliance Officer, at (251) 340-1984 or [jamey.sandifer@jesandifer.com](mailto:jamey.sandifer@jesandifer.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 as an investment advisor does not imply any level of skill or training.

Additional information about Sandifer & Associates is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site using a unique identifying number known as a CRD number. Our CRD number is 166948.

## Item 2: Summary of Material Changes

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This Brochure is prepared in the revised format required beginning in 2011. Registered Investment Advisers are required to use this format to inform clients of the nature of advisory services provided, types of clients served, fees charged, potential conflicts of interest and other information. The Brochure requirements include the annual provision of a Summary of Material Changes (the “Summary”) reflecting any material changes to our policies, practices, or conflicts of interest made since our last required “annual update” filing. In the event of any material changes, such Summary is provided to all clients within 120 days of our fiscal year-end. Our last annual update was filed on March 14, 2017. Of course the complete Brochure is available to clients at any time upon request.

**Set forth below is the Summary of Material Changes for J.E. Sandifer Financial Consultants, Inc. d/b/a Sandifer & Associates:**

Date of Change	Description of Item
July 2017	Marc D. Salyers joined Sandifer & Associates and serves as an Investment Adviser Representative of the firm. Please see the <b>ADV Part 2B Supplement</b> for more information on his professional background and education.

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## Item 4: Advisory Business

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J.E. Sandifer Financial Consultants, Inc. dba Sandifer & Associates (“Sandifer & Associates” or “the Firm”) was founded in 1997 and is owned by James E. Sandifer, President and Chief Compliance Officer. Sandifer & Associates became a registered investment advisory firm in 2013.

Sandifer & Associates provides investment advisory services to individuals, high net worth individuals, trusts and estates. Services include asset management and financial planning.

As of December 31, 2017, Sandifer & Associates managed \$128,081,190 in assets on a discretionary basis and \$5,434,785 on a non-discretionary basis.

### Asset Management Services

Sandifer & Associates provides continuous investment advice and asset management services based on the individual needs of its clients. Through personal discussions in which goals and objectives based on a client’s particular circumstances are established, Sandifer & Associates creates and manages a portfolio based on those objectives. Sandifer & Associates will ensure that each client’s investments are suitable for that client and consistent with their investment needs, goals, objectives and risk tolerance. Account supervision is guided by the stated objectives of the client (i.e., capital preservation, income with moderate growth, growth and income, growth, and aggressive growth, etc.).

Sandifer & Associates will manage the client’s investment portfolio on a discretionary or a non-discretionary basis. As a discretionary investment adviser, the Firm will have the authority to supervise and direct the portfolio without prior consultation with the client. Under a non-discretionary arrangement, clients must be contacted prior to the execution of any trade in the account(s) under management. This can result in a delay in executing recommended trades, which could adversely affect the performance of the portfolio. This delay also normally means the affected account(s) will not be able to participate in block trades, a practice designed to enhance the execution quality, timing and/or cost for all accounts included in the block. In a non-discretionary arrangement, the client retains the responsibility for the final decision on all actions taken with respect to the portfolio.

Notwithstanding the foregoing, clients may impose certain written restrictions on Sandifer & Associates in the management of their investment portfolios, such as prohibiting the inclusion of certain types of investments in an investment portfolio or prohibiting the sale of certain investments held in the account at the commencement of the relationship. Each client should note, however, that restrictions imposed by a client may adversely affect the composition and performance of the client’s investment portfolio. Each client should also note that his or her investment portfolio is treated individually by giving consideration to each purchase or sale for the client’s account. For these and other reasons, performance of client investment portfolios within the same investment objectives, goals and/or risk tolerance may differ and clients should not expect that the composition or performance of their investment portfolios would necessarily be consistent with similar clients of Sandifer & Associates.

Clients are advised to promptly notify Sandifer & Associates if there are ever any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon Sandifer & Associates’ management services.

### *Separate Account Managers*

When appropriate and in accordance with the investment plan for a client, Sandifer & Associates may recommend the use of one or more Separate Account Managers, each a “Manager.” Having access to various Managers offers a wide variety of manager styles, and offers clients the opportunity to utilize more than one Manager if necessary to meet the needs and investment objectives of the client. Sandifer & Associates will select or recommend the

Manager(s) it deems most appropriate for the client. Factors that the Firm considers in recommending/selecting Managers generally include the client’s stated investment objective(s), management style, performance, risk level, reputation, financial strength, reporting, pricing, and research.

The Manager(s) will generally be granted discretionary trading authority to provide investment supervisory services for the portfolio. Under certain circumstances, the Firm retains the authority to terminate the Manager’s relationship or to add new Managers without specific client consent. In other cases, the client will ultimately select one or more Managers recommended by Sandifer & Associates. Fees paid to such Manager(s) are separate from and in addition to the fee assessed by Sandifer & Associates.

In any case, with respect to assets managed by a Manager, Sandifer & Associates’ role will be to monitor the overall financial situation of the client, to monitor the investment approach and performance of the Manager(s), and to assist the client in understanding the investments of the portfolio.

### *Third Party Wrap Programs*

From time to time, Sandifer & Associates may utilize the separate account managers available in a Third Party Wrap Program. A Wrap Program is one that charges one fee (the “wrap fee”) for both the Manager’s fee and the transaction expenses incurred by the account. Sandifer & Associates’ fee is charged separately from and in addition to the wrap fee.

### Financial Planning

Sandifer & Associates offers financial planning services, which may include a review of all aspects of a client’s current financial situation, including the following components: cash management, risk management, insurance, education funding, goal setting, retirement planning, estate and charitable gift planning, tax planning, and capital needs planning. Clients should understand that when Sandifer & Associates is engaged to address only certain components, the client’s overall financial and investment issues may not be taken into consideration.

Sandifer & Associates meets with the client to review risk tolerance, financial goals and objectives, and time horizons. Additional meetings may include a review of additional financial information; such as sources of income, assets, insurance, liabilities, wills, trusts, business agreements, tax returns, investments, and personal and family obligations.

The financial plan may include both long and short-term considerations, depending upon the client’s financial situation. Upon completion, a plan is presented to the client. At this meeting, the client is provided with recommendations compatible with the client’s stated goals and objectives. An implementation schedule is reviewed with the client to determine what steps will be pursued, and with whom the steps may be accomplished. The client is under no obligation to

utilize additional services of Sandifer & Associates and its representatives and is under no obligation to implement the advice or plan. Clients may choose all, none or certain specific components of advice and recommendations and may implement the recommendations through the service providers of their choice.

#### Fiduciary Disclosure

With respect to any account for which Sandifer & Associates meets the definition of a fiduciary under Department of Labor rules, the Firm acknowledges that both Sandifer & Associates and its Related Persons are acting as fiduciaries. Additional disclosure may be found elsewhere in this Brochure or in the written agreement between Sandifer & Associates and the client.

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

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In certain circumstances, fees, account minimums and payment terms are negotiable depending on client's unique situation – such as the size of the aggregate related party portfolio size, family holdings, low cost basis securities, or certain passively advised investments and pre-existing relationships with clients. Certain clients may pay more or less than others depending on the amount of assets, type of portfolio, or the time involved, the degree of responsibility assumed, complexity of the engagement, special skills needed to solve problems, the application of experience and knowledge of the client's situation.

#### Compensation – Asset Management Services

Pursuant to the annual fee schedule set forth below, the percentage fee corresponding with the value of all of the client's related accounts managed by Sandifer & Associates is applied to the client's entire portfolio.

<u>Assets Under Management</u>	<u>Annual Fee</u>
\$0 to \$250,000	1.50%
\$250,001 to \$500,000	1.25%
\$500,001 to \$1,000,000	1.10%
\$1,000,001 to \$2,500,000	1.00%
\$2,500,001 to 5,000,000	0.85%
\$5,000,001 to \$10,000,000	0.65%
\$10,000,001 to \$15,000,000	0.50%
\$15,000,000 plus	0.35%

Clients will be billed quarterly in advance at the beginning of each calendar quarter based upon the value of their portfolio on the last business day of the previous quarter. Such fees shall become due and payable the following business day. Fees will be debited from the account in accordance with the client authorization in the Asset Management Agreement. The custodian will send an account statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to Sandifer & Associates.

If an Asset Management Agreement is terminated before the end of the billing quarter, the client is entitled to a prorated refund of any pre-paid advisory fee based on the number of days remaining in the quarter after the termination date.

### *Separate Account Manager Fees*

In instances where the services of a Separate Account Manager are utilized, the Separate Account Manager fees will be charged in addition to Sandifer & Associates' fee, and will be detailed in the Management Agreement signed by the client.

### *Wrap Program Fees*

Sandifer & Associates' fees are charged separately from and in addition to Wrap Program fees.

### Compensation – Financial Planning

Financial Planning will be charged on an hourly basis of \$200 - \$500 per hour, depending on the complexity of the plan. All financial planning fees are due and payable upon completion of the financial plan for the client. Each client will receive an invoice for the financial planning fee.

If a Financial Planning Agreement is terminated before the end of the billing period, the client may be charged a prorated fee based upon the time spent on the engagement prior to the termination.

For clients who have retained Sandifer & Associates for asset management services, financial planning services are included in the client's quarterly advisory fee for managed portfolios of \$500,000 or more.

### Other Fees

Clients may incur certain charges imposed by the custodians and other third parties such as brokerage commissions, transaction fees, custodial fees, charges imposed directly by a mutual fund or exchange traded fund in the account, which shall be disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Such charges, fees and commissions are exclusive of and in addition to Sandifer & Associates' fee.

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

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Sandifer & Associates does not have any performance-based fee arrangements. "Side-by-Side Management" refers to a situation in which the same firm manages accounts that are billed based on a percentage of assets under management and at the same time manages other accounts for which fees are assessed on a performance fee basis. Because Sandifer & Associates has no performance-based fee accounts, it has no side-by-side management.

## **Item 7: Types of Clients**

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As described in Item 4, Sandifer & Associates clients include individuals, high net worth individuals, trusts and estates.

Sandifer & Associates requires a minimum relationship account value of \$350,000 for clients, although this may be negotiable under certain circumstances. The Firm does not generally impose a minimum annual fee for any account.

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

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The investment plan for a specific client is based upon the objectives stated by the client during consultations. The investment plan will be updated from time to time when requested by the client, or when determined to be necessary or advisable by Sandifer & Associates based on updates to the client's financial or other circumstances.

In accordance with the client's investment plan, Sandifer & Associates will primarily invest in exchange traded funds ("ETFs") and mutual funds, and to a lesser extent, individual stocks and bonds. Where appropriate to a client's situation, the Firm may also recommend investments in fee-only variable annuities.

Mutual funds and ETFs are generally evaluated and selected based on a variety of factors, including, as applicable and without limitation, past performance, fee structure, portfolio manager, fund sponsor, overall ratings for safety and returns, and other factors.

Fixed income investments may be used as a strategic investment, as an instrument to fulfill liquidity or income needs in a portfolio, or to add a component of capital preservation. Sandifer & Associates will generally evaluate and select individual bonds or bond funds based on a number of factors including, without limitation, rating, yield and duration.

For individual stocks, Sandifer & Associates often utilizes fundamental analysis which attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell). Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the securities.

**Note: All investments involve the risk of loss, including (among other things) loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Although Sandifer & Associates manages the assets in a manner consistent with risk tolerances, there can be no guarantee that our efforts will be successful. The investor should be prepared to bear the risk of loss.** Sandifer & Associates' investment approach constantly keeps the risk of loss in mind. Investors face the following investment risks:

- **Management Risks:** While Sandifer & Associates manages client investment portfolios, or recommends one or more Managers, based on Sandifer & Associates' experience, research and proprietary methods, the value of client investment portfolios will change daily based on the performance of the underlying securities in which they are invested. Accordingly, client investment portfolios are subject to the risk that Sandifer & Associates or a Manager allocates client assets to individual securities and/or asset classes that are adversely affected by unanticipated market movements, and the risk that Sandifer & Associates' specific investment choices could underperform their relevant indexes.
- **Risks of Investments in Mutual Funds, ETFs and Other Investment Pools:** Investments in pooled investment funds are generally less risky than investing in individual securities because of their diversified portfolios; however, these investments are still subject to risks

associated with the markets in which they invest. In addition, pooled investment funds' success will be related to the skills of their particular managers and their performance in managing their funds. Pooled investment funds are also subject to risks due to regulatory restrictions applicable to registered investment companies under the Investment Company Act of 1940.

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **Inflation Risk:** When any type of inflation is present, a dollar next year will not buy as much as a dollar today, because purchasing power is eroding at the rate of inflation.
- **Foreign Securities Risks:** While foreign investments are important to the diversification of client investment portfolios, they carry risks that may be different from U.S. investments. For example, foreign investments may not be subject to uniform audit, financial reporting or disclosure standards, practices or requirements comparable to those found in the U.S. Foreign investments are also subject to foreign withholding taxes and the risk of adverse changes in investment or exchange control regulations. Finally, foreign investments may involve currency risk, which is the risk that the value of the foreign security will decrease due to changes in the relative value of the U.S. dollar and the security's underlying foreign currency.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

## **Item 9: Disciplinary Information**

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

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

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Sandifer and Associates acts as an authorized third party of our clients to assist in the administrative tasks of completing the insurance paperwork for the policy's agent. Sandifer and Associates does not receive any commissions or compensation for these services. Clients are not obligated to use Sandifer & Associates for insurance product purchases and may work with any insurance agent they choose.

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

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### Code of Ethics and Personal Trading

Sandifer & Associates has adopted a Code of Ethics ("the Code"), the full text of which is available to you upon request. The Firm's Code has several goals. First, the Code is designed to assist Sandifer & Associates in complying with applicable laws and regulations governing its investment advisory business. Under the Investment Advisers Act of 1940, Sandifer & Associates owes fiduciary duties to its clients. Pursuant to these fiduciary duties, the Code requires persons associated with the Firm (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for the Firm's associated persons. Under the Code's Professional Standards, Sandifer & Associates expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Sandifer & Associates associated persons are not to take inappropriate advantage of their positions in relation to the Firm's clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time Sandifer & Associates' associated persons may invest in the same securities recommended to clients. Under its Code, Sandifer & Associates has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code's personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

### Participation or Interest in Client Transactions

Because client accounts are primarily invested in open-end mutual funds and ETFs, there is little opportunity for a conflict of interest between personal trades by the Firm's associated persons and trades in client accounts, even when such accounts invest in the same securities. However, in the event of other identified potential trading conflicts of interest, Sandifer & Associates' goal is to place client interests first.

As outlined above, Sandifer & Associates has adopted procedures to protect client interests when its associated persons invest in the same securities as those selected for or recommended to clients. In the event of any identified potential trading conflicts of interest, The Firm's goal is to place client interests first.

## **Item 12: Brokerage Practices**

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### Best Execution and Benefits of Brokerage Selection

When given discretion to select the brokerage firm that will execute orders in client accounts, Sandifer & Associates seeks "best execution" for client trades, which is a combination of a number of factors, including, without limitation, quality of execution, services provided and commission rates. Therefore, the Firm may use or recommend the use of brokers who do not charge the lowest available commission in the recognition of research and securities transaction services, or quality of execution. Research services received with transactions may include proprietary or third party research (or any combination), and may be used in servicing any or all of Sandifer & Associates' clients. Therefore, research services received may not be used for the account for which the particular transaction was effected.

Sandifer & Associates recommends that clients establish brokerage accounts with Raymond James Financial, Inc. ("RJF"), a FINRA registered broker-dealer, member SIPC, as the qualified custodian to maintain custody of clients' assets. The Firm will also effect trades for client accounts at RJF, or may in some instances, consistent with Sandifer & Associates' duty of best execution and specific agreement with each client, elect to execute trades elsewhere. Although Sandifer & Associates may recommend that clients establish accounts at RJF, it is ultimately the client's decision to custody assets with RJF. Sandifer & Associates is independently owned and operated and is not affiliated with RJF.

RJF provides Sandifer & Associates with access to its institutional trading, custody, reporting and related services, which are typically not available to RJF retail investors. RJF also makes available various support services. Some of those services help Sandifer & Associates manage or administer our clients' accounts while others help the Firm manage and grow our business. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them. These services are not soft dollar arrangements, but are part of the institutional platform offered by RJF. RJF's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For Sandifer & Associates client accounts maintained in its custody, RJF generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through RJF or that settle into RJF accounts. RJF also makes available to Sandifer &

Associates other products and services that benefit the Firm but may not directly benefit its clients' accounts. Many of these products and services may be used to service all or some substantial number of Sandifer & Associates accounts, including accounts not maintained at RJF.

RJF's products and services that assist Sandifer & Associates in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide pricing and other market data; (iv) facilitate payment of the Firm's fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

RJF also offers other services intended to help Sandifer & Associates manage and further develop its business enterprise. These services may include: (i) technology compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. RJF may make available, arrange and/or pay third-party vendors for the types of services rendered to Sandifer & Associates. RJF may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to the Firm. RJF may also provide other benefits such as educational events or occasional business entertainment of Sandifer & Associates personnel. In evaluating whether to recommend that clients custody their assets at RJF, the Firm may take into account the availability of some of the foregoing products and services and other arrangements as part of the total mix of factors it considers and not solely on the nature, cost or quality of custody and brokerage services provided by RJF, which may create a potential conflict of interest.

#### Directed Brokerage

Clients may direct Sandifer & Associates to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. Accordingly, a client who directs brokerage should consider whether such designation may result in certain costs or disadvantages to the client, either because the client may pay higher commissions or obtain less favorable execution, or the designation limits the investment options available to the client.

The arrangement that Sandifer & Associates has with RJF is designed to maximize efficiency and to be cost effective. By directing brokerage arrangements, the client acknowledges that these economies of scale and levels of efficiency are generally compromised when alternative brokers are used. While every effort is made to treat clients fairly over time, the fact that a client chooses to use the brokerage and/or custodial services of these alternative service providers can in fact result in a certain degree of delay in executing trades for their account(s) and otherwise adversely affect management of their account(s).

By directing the Firm to use a specific broker or dealer, clients who are subject to ERISA confirm and agree with Sandifer & Associates that they have the authority to make the direction, that there are no provisions in any client or plan document which are inconsistent with the direction, that the brokerage and other goods and services provided by the broker or dealer through the brokerage transactions are provided solely to and for the benefit of the client's plan, plan participants and their beneficiaries, that the amount paid for the brokerage and other services have been determined by the client and the plan to be reasonable, that any expenses

paid by the broker on behalf of the plan are expenses that the plan would otherwise be obligated to pay, and that the specific broker or dealer is not a party in interest of the client or the plan as defined under applicable ERISA regulations.

#### Aggregated Trade Policy

Sandifer & Associates typically directs trading in individual client accounts as and when trades are appropriate based on the client's investment plan, without regard to activity in other client accounts. However, from time to time, Sandifer & Associates may aggregate trades together for multiple client accounts, most often when these accounts are being directed to sell the same securities. If such an aggregated trade is not completely filled, the Firm will allocate shares received (in an aggregated purchase) or sold (in an aggregated sale) across participating accounts on a pro rata or other fair basis; provided, however, that any participating accounts that are owned by Sandifer & Associates or its officers, directors, or employees will be excluded first.

### **Item 13: Review of Accounts**

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#### Asset Management Reviews and Reporting

James E. Sandifer, President and Chief Compliance Officer has the responsibility for communicating with the client, updating changes to the client's situation and regularly reviewing the client's portfolio including the asset allocation and the specific assets included in the account. The client review includes comparing the portfolio and current security positions with the client's goals and objectives, reviewing changes to the client's investment circumstances, evaluating the specific holdings, re-balancing the portfolio and communicating the current status of the portfolio and any recommended actions to the client. Reviews may also be conducted if there are changes in market, political or economic conditions, tax laws, new investment information, and changes in a client's own situation.

Account custodians are responsible for providing monthly or quarterly account statements which reflect the positions (and current pricing) in each account as well as transactions in each account, including fees paid from an account. Account custodians also provide prompt confirmation of all trading activity, and year-end tax statements, such as 1099 forms. In addition, Sandifer & Associates provides at least an annual report for each managed portfolio. This written report normally includes a summary of portfolio holdings and performance results. Additional reports are available at the request of the client.

#### Financial Planning – Reviews and Reporting

Financial Planning engagements will be reviewed as contracted at the inception of the engagement.

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

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As noted above, Sandifer & Associates receives an economic benefit from RJF in the form of support products and services it makes available to Sandifer & Associates and other independent investment advisors whose clients maintain accounts at RJF. These products and

services, how they benefit our firm, and the related conflicts of interest are described in **Item 12 - Brokerage Practices**. The availability of RJF's products and services to Sandifer & Associates is based solely on our participation in the programs and not in the provision of any particular investment advice.

#### Compensation – Client Referrals – Solicitation Arrangements

Sandifer & Associates may enter into written arrangements to pay referral fees to other professionals (solicitors) who refer prospective clients to the Firm. There will be a written agreement between Sandifer & Associates and the solicitor, which will clearly define the duties and responsibilities of the solicitor under this arrangement. In addition, each solicitor is required to provide a written disclosure document, which explains to the prospective client the terms and compensation structure under which the solicitor is working with Sandifer & Associates. The solicitor is also required to furnish a copy of Sandifer and Associate's Form ADV Part 2 to the prospective client and obtain a written acknowledgement from the client that both the solicitor's disclosure document and Sandifer and Associate's Form ADV Part 2 have been received.

## Item 15: Custody

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RJF is the custodian of nearly all client accounts at Sandifer & Associates. From time to time however, clients may select an alternate broker to hold accounts in custody. In any case, it is the custodian's responsibility to provide clients with confirmations of trading activity, tax forms and at least quarterly account statements. Clients are advised to review this information carefully, and to notify Sandifer & Associates of any questions or concerns. Clients are also asked to promptly notify the Firm if the custodian fails to provide statements on each account held.

From time to time and in accordance with Sandifer & Associates' agreement with clients, the Firm will provide additional reports. The account balances reflected on these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there may be small differences due to the timing of dividend reporting, pending trades or other similar issues.

## Item 16: Investment Discretion

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As described above under **Item 4 - Advisory Business**, Sandifer & Associates will accept clients on either a discretionary or non-discretionary basis. For *discretionary accounts* this means that after an investment plan is developed for the client's investment portfolio, Sandifer & Associates will execute that plan without specific consent from the client for each transaction. For discretionary accounts, a Limited Power of Attorney ("LPOA") is executed by the client, giving Sandifer & Associates the authority to carry out various activities in the account, generally including the following: trade execution; the ability to request checks on behalf of the client; and, the withdrawal of advisory fees directly from the account. Sandifer & Associates then directs investment of the client's portfolio using its discretionary authority. The client may limit the terms of the LPOA to the extent consistent with the client's investment advisory agreement with Sandifer & Associates and the requirements of the client's custodian. The discretionary relationship is further described in the agreement between Sandifer & Associates and the client.

For *non-discretionary* accounts, the client also generally executes an LPOA, which allows Sandifer & Associates to carry out trade recommendations and approved actions in the portfolio.

However, in accordance with the investment advisory agreement between Sandifer & Associates and the client, Sandifer & Associates does not implement trading recommendations or other actions in the account unless and until the client has approved the recommendation or action. As with discretionary accounts, clients may limit the terms of the LPOA, subject to Sandifer & Associates' agreement with the client and the requirements of the client's custodian.

## **Item 17: Voting Client Securities**

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Sandifer & Associates does not have any authority to and does not vote proxies on behalf of clients. Clients retain the responsibility for receiving and voting proxies for securities maintained in their portfolios; clients receive these proxies directly from either Raymond James or transfer agents. Clients may contact James E. Sandifer at 251-340-1984 with questions relating to proxy procedures and proposals; however, Sandifer & Associates generally does not research particular proxy proposals.

## **Item 18: Financial Information**

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Sandifer & Associates does not require prepayment of fees of both more than \$1,200 per client, more than six months in advance; and therefore is not required to provide a balance sheet to clients.

**Sandifer & Associates**

Form ADV Part 2B

Investment Adviser Brochure Supplement

**Supervisor and Supervised Person: James E. Sandifer, CFP®**

**CRD# 1031904**

3615 Old Shell Road  
Mobile, Alabama 36608  
251.340.1984

[www.jesandifer.com](http://www.jesandifer.com)

**February 15, 2018**

This Brochure Supplement provides information about the James E. Sandifer that supplements the Sandifer & Associates' Brochure. You should have received a copy of that Brochure. Please contact James E. Sandifer, President and Chief Compliance Officer, if you did not receive Sandifer & Associates' Brochure or if you have any questions about the contents of this supplement.

Additional information about the Firm's Supervised Persons is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site using a unique identifying number known as a CRD number. Sandifer & Associates CRD number is 166948.

## **Educational Background and Business Experience**

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Sandifer & Associates requires a college degree and/or industry experience.

### Supervised Person

James E. Sandifer Born 1952

### Business Background

Sandifer & Associates 1997 – Present  
President/Chief Compliance Officer

Raymond James Financial Services, Inc. 1982 – 2013  
Financial Advisor/Registered Principal/Portfolio Manager

### Education

B.S. Finance, University of Alabama

### Professional Designations:

James E. Sandifer is a Certified Financial Planner™ professional.\*

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\* The CFP® certification is granted by Certified Financial Planner Board of Standards, Inc. (CFP Board). To attain the certification, the candidate must complete the required educational, examination, experience and ethics requirements set forth by CFP Board. Certain designations, such as the CPA, CFA and others may satisfy the education component, and allow a candidate to sit for the CFP® Certification Examination. A comprehensive examination tests the candidate's ability to apply financial planning knowledge to client situations. Qualifying work experience is also required for certification. Qualifying experience includes work in the area of the delivery of the personal financial planning process to clients, the direct support or supervision of others in the personal financial planning process, or teaching all, or any portion, of the personal financial planning process. CFP® professionals must complete 30 hours of continuing education accepted by the CFP Board every two years.

## **Disciplinary Information**

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Neither Sandifer & Associates nor any Supervised Persons have been involved in any activities resulting in a reportable disciplinary disclosure.

## **Other Business Activities**

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James Sandifer acts as an authorized third party of clients to assist in the administrative tasks of completing the insurance paperwork for the policy's agent. Sandifer and Associates does not receive any commissions or compensation for these services. Clients are not obligated to use Sandifer & Associates for insurance product purchases and may work with any insurance agent they choose.

## **Additional Compensation**

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Other than as stated above, Mr. Sandifer is not engaged in any other investment-related business or occupation, and does not earn compensation for the sale of any other products or services.

## **Supervision**

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James Sandifer, President and Chief Compliance Officer is responsible for supervising Sandifer & Associates' advisory activities and managing Sandifer & Associates' team of supervised persons. James E. Sandifer supervises these persons by holding regular meetings, which may include staff, investment, compliance and other ad hoc meetings. Among other things, Mr. Sandifer reviews client reports and trading, as well as personal securities transactions and holdings reports. Mr. Sandifer may be reached at 251.340.1984.

**Sandifer & Associates**

Form ADV Part 2B  
Investment Adviser Brochure Supplement

**Marc D. Salyers**

**CRD# 6560150**

3615 Old Shell Road  
Mobile, Alabama 36608  
251.340.1984

[www.jesandifer.com](http://www.jesandifer.com)

**February 15, 2018**

This Brochure Supplement provides information about the Marc D. Salyers that supplements the Sandifer & Associates' Brochure. You should have received a copy of that Brochure. Please contact James E. Sandifer, President and Chief Compliance Officer, if you did not receive Sandifer & Associates' Brochure or if you have any questions about the contents of this Supplement.

Additional information about the Firm's Supervised Persons is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site using a unique identifying number known as a CRD number. Sandifer & Associates CRD number is 166948.

## **Educational Background and Business Experience**

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Sandifer & Associates requires a college degree and/or industry experience.

### Supervised Person

Marc D. Salyers Born 1979

### Business Background

Sandifer & Associates 2017 – Present  
Investment Adviser

Aptus Capital Advisors 2016 – 2017  
Senior Vice President and Investment Adviser

Morgan Stanley & Associates 2015 – 2016  
Financial Advisor Trainee

Samford University 2014 – 2015  
Assistant Basketball Coach

Professional Basketball Player in Europe & Asia 2005 – 2014

### Education

B.S. Business Administration, Samford University (2015)

## **Disciplinary Information**

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Neither Sandifer & Associates nor any Supervised Persons have been involved in any activities resulting in a reportable disciplinary disclosure.

## **Other Business Activities**

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Marc has no other business activities to disclose.

## **Additional Compensation**

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Marc is not engaged in any other investment-related business or occupation, and has no other income or compensation to disclose.

## **Supervision**

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James Sandifer, President and Chief Compliance Officer is responsible for supervising Sandifer & Associates' advisory activities and managing Sandifer & Associates' team of supervised persons. James E. Sandifer supervises these persons by holding regular meetings, which may include staff, investment, compliance and other ad hoc meetings. Among other things, Mr. Sandifer reviews client reports and trading, as well as personal securities transactions and holdings reports. Mr. Sandifer may be reached at 251.340.1984.