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**FORM ADV PART 2A  
BROCHURE**

This brochure provides information about the qualifications and business practices of First Security Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at 941 483 3732 or e mail us at [info@fscmlc.com](mailto:info@fscmlc.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 First Security Capital Management LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for First Security Capital Management LLC is 148345.

First Security Capital Management LLC is a State Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

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## Advisory Business

First Security Capital Management LLC (FSCM) was incorporated June 1st 1995 as First Security Financial Advisors, Inc. The company's name was changed March 1, 2008 to reflect the main business of the company. Dennis Makarewicz, CHFC, one of the original founders is 100% owner and has been working with investors for over 35 years. First Security Capital Management LLC (FSCM) provides investment advisory services (asset management) to individuals, trusts, estates and charitable entities. Most accounts are managed with full discretionary authority; however FSCM has a limited number of accounts where FSCM does not have full discretion. Accounts are charged a management fee (see fee schedule) based on a percentage of assets under management. Accounts are managed under different portfolio options and can use exchange listed securities, securities traded over the counter, corporate debt securities, option contracts on securities, mutual fund shares and variable annuities. Our investment advice is limited to the previously mentioned securities.

All asset management client relationships start with an initial interview and/or data gathering questionnaire to develop an Investor Profile that determines the client's individual objectives, risk tolerance, income, net worth, and any other relevant factor that will shape their portfolio. During this process the Client will inform us of any restrictions to be placed on their portfolio. In response to the potential client's objectives obtained in the initial interview and/or data gathering questionnaire FSCM will suggest one or more of their portfolios to suit the client's needs.

Annually, FSCM will request current financial status information from the client to determine if there have been any changes in the client's financial situation. Clients may call in at any time during normal business hours to discuss directly with the advisors about the client's account, financial situation, or investment needs. Clients will receive transaction statements as trades occur during the month and a month end statement on their brokerage account. The client will have a direct and beneficial interest in his securities, rather than an undivided interest in a pool of securities. Clients have the ability to leave standing instructions with the advisory affiliate to refrain from investing in particular industries, or invest in limited amounts of securities. The portfolios cover but are not limited to one or more of these categories: Growth and Income Portfolio (a Balanced Portfolio), Conservative Portfolio (Income Producing). FSCM does not participate in any type of outside wrap fee programs. We do not use any outside money managers.

Assets under discretionary management as of December 31, 2013 were \$33,700,000  
Nondiscretionary (unmanaged) assets as of December 31, 2013 were \$1,500,000

## Fees and Compensation

FSCM is a fee only management firm. This means we charge a management fee on our discretionary accounts. We do not receive compensation from any other source. The separately managed accounts are charged a management fee according to the following tiered fee schedule:

Balanced and Conservative Portfolios		Quarterly Fee
From	To	
\$0	\$250,000.	.5250%
\$ 250,000.	\$499,000.	.4375%
\$ 500,000.	\$749,000.	.3750%
\$ 750,000.	\$999,999.	.3125%
\$1,000,000.	+	.2500%

Fees are charged quarterly in advance. The initial quarterly fee is due upon the opening of the account and the fee will be based on the value of the account(s) when assets are received in the account. Subsequent management fees are billed quarterly in advance. Management fees will be prorated to cover mid quarter investments to the end of the then current quarter. Thereafter, the fee will be based on



the account(s) value on the last business day of the preceding calendar quarter. Additional assets received in the accounts(s) after it is opened will be charged a prorated fee based on the number of days remaining in the fee period. No fee adjustments will be made for withdrawals, appreciation or depreciation within a billing period. FSCM at its discretion may charge a client a different rate than indicated on the above schedule. All trades in accounts held at TD Ameritrade are charged a \$9.99 ticket/commission charge by the custodian. Other custodians may have other ticket/commission rates.

Accounts held by our custodian (TD Ameritrade) are billed directly by the custodian. Clients with managed accounts at TD Ameritrade and other custodians may elect to be billed at TD Ameritrade. Clients with managed accounts at other custodians may elect to be billed directly.

FSCM may include exchanged traded funds, mutual funds, variable annuity products and other managed investments in its client's portfolios. Clients will be charged for the services by the providers/managers of these products in addition to the fees paid to FSCM for its investment advisory services. The fees and expenses charged by the product providers are separate and distinct from the fees and expenses charged by FSCM. These fees are ultimately borne by the investors in these investments. The fees paid for these investments are in addition to the fees paid to FSCM. Those fees and expenses are described in each company's prospectus. Each custodian may charge a transaction fee, ticket charge or brokerage fee on transactions. Certain custodians may have custodial fees or termination fees. You should consult the custodian for any extra fees. All management fees are payable quarterly in advance. The investment management agreement with FSCM may be terminated immediately with written notice. Any paid but unearned fees will be refunded by FSCM upon an effective termination of the account. Clients who terminate their investment advisory agreement within five (5) business days of signing the investment management agreement will be provided a full refund of management fees paid in advance.

FSCM does not receive compensation (commissions) from any investments held in client accounts. This includes markups or markdowns on any security transactions. While we do not make a practice of selling investment products we may suggest various no load/no commission investments to our clients. Clients may use the services of other broker dealers and are under no obligation to purchase them through FSCM. FSCM receives no revenue or commissions from these investment products.

## **Performance-Based Fees and Side-By-Side Management**

FSCM does not charge performance based fees.

## **Types of Clients**

FSCM currently provides investment advisory services to individuals, estates and trusts and is available to provide investment advisory services to prospective charitable entities. Minimum account size is \$250,000.00. We will aggregate family accounts to reach the minimum account size. In certain instances we will waive the minimum account opening size.

## **Methods of Analysis, Investment Strategies and Risk of Loss**

FSCM's security analysis methods include: charting, fundamental analysis, technical analysis and cyclical trends. Sources of information we use include financial newspapers and magazines, research materials prepared by others, timing services, annual reports, prospectuses, filings with the Securities Exchange Commission and Company press releases.



#### Portfolio Strategies:

**Growth and Income (Balanced) Portfolio:** Moderate growth potential with income as a secondary consideration. The portfolio is structured with the goal of offsetting temporary weakness in one area with strength in another. We'll normally concentrate holdings of 50-60% equities and 40-50% debt or cash instruments depending on market conditions. This portfolio is managed in a moderate manner seeking low volatility and few transaction costs.

**Conservative (Income Producing) Portfolio:** Focus is to provide above average income with some growth potential to help offset the effects of the increases in the cost of living from year to year. We invest in a mix of equity investments and debt securities. It is conservatively managed with a goal of consistent dividends and interest with lower levels of risk.

FSCM normally does not recommend securities that involve significant or unusual risks. As with any investing, the risk of loss is quite possible and clients should not invest funds that will be needed in the near future. **Investing in securities involves risk of loss that clients should be prepared to bear.**

### Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to your evaluation of the advisor or the integrity of its management.

FSCM does not have material information applicable with your evaluation with any administrative, civil, criminal or regulatory proceedings within the past 10-years.

No management person of FSCM has been named in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which the firm or a management person was convicted of, or pled guilty or nolo contendere ("no contest") to any felony; a misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or a conspiracy to commit any of these offenses.

No management person of FSCM is subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; was found to have been involved in a violation of an investment-related statute or regulation; or was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, the firm or a management person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

No management person of FSCM is subject to an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which the firm or a management person was found to have caused an investment-related business to lose its authorization to do business; or was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority denying, suspending, or revoking the authorization of the firm or a management person to act in an investment-related business; barring or suspending the firm's or a management person's association with an investment-related business; barring or suspending the firm's or a management person's association with an investment-related business; imposing a civil money penalty of more than \$2,500 on the firm or a management person.

No management person of FSCM is subject to a self-regulatory organization (SRO) proceeding in which the firm or a management person was found to have caused an investment-related business to lose its authorization to do business; or was found to have been involved in a violation of the SRO's rules and was) barred or suspended from membership or from association with other members, or was expelled



from membership; otherwise significantly limited from investment-related activities; or fined more than \$2,500.

No management person of FSCM or FSCM has had an administrative proceeding by the SEC, any federal regulatory agency, any state regulatory agency, any foreign financial regulatory authority that caused an investment related business to lose its authorization to do business, was found to have been involved in an investment-related statute or regulation and was the subject of an order by the agency or authority denying, suspending, or revoking the authorization of the firm or supervised persons to act in an investment-related business; significantly limited FSCM or management persons investment related activities; imposed a civil penalty of more than \$2,500.00 on FSCM or its management persons;

No self-regulatory (SRO) organization has found that a management person of FSCM or FSCM was found to have caused an investment related business to lose its authorization to do business; was found to have been in violation of the SRO's rules and was barred or suspended from membership, or from association with other members, was expelled from membership, was significantly limited from investment related activities, or fined more than \$2,500.00

### **Other Financial Industry Activities and Affiliations**

No supervised (management) person of FSCM is currently registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer; nor are they registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

FSCM may refer clients in need of tax or accounting services to accounting firms in the local area and at times accounting firms located within in the same building as FSCM. FSCM is not affiliated with any accounting firm. Accounting services provided by others are separate and distinct from the Advisory services of FSCM. There are no referral fee arrangements between any accounting firm and FSCM. Accounting firm clients are not obligated to use the services of FSCM nor are FSCM clients obligated to use the services of any accounting firm.

FSCM may also refer clients in need of legal assistance to the various law firms which often meet with clients in the same building as FSCM. There are no referral fee arrangements between FSCM and any law firm and clients are not obligated to use the services of this or any other law firm that we may refer clients to.

FSCM does not recommend or select other investment advisers for our clients; does not have other business relationships with other advisers that would create a material conflict of interest.

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

FSCM has adopted a Code of Ethics in compliance with SEC Rule 204A-1 under the Investment Advisors Act of 1940 which establishes standards of conduct for FSCM's supervised persons. The Code of Ethics includes general requirements that FSCM's supervised persons comply with their fiduciary obligations to client's and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. It requires supervised persons to report their personal securities transactions and holdings periodically to FSCM'S Compliance Officer to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the Compliance Officer.

Each supervised person of FSCM receives a copy of the Code of Ethics and any amendments to it and must acknowledge in writing having received the materials. In addition each year all must certify compliance with the Code of Ethics during that year. Under FSCM's Code of Ethics, FSCM and its



managing persons, employees and associates may personally invest in securities of the same classes as are purchased for clients and may own securities of issuers whose securities are subsequently purchased for clients with the approval from an officer of FSCM. In the aggregating of securities transactions, if an issue is purchased or sold for clients and any of FSCM's supervised persons or employees on the same day, either the clients and FSCM and its supervised persons and employees shall pay or receive the same price, or the clients shall receive the more favorable price. FSCM and its supervised persons and employees may also buy or sell specific securities for their own accounts based on personal investment considerations aside from company or industry fundamentals which FSCM does not deem appropriate to buy or sell for clients. A copy of FSCM's Code of Ethics is available to anyone upon request.

FSCM or any management person does not recommend to clients, or buys or sells for client accounts, securities in which they or a related person has a material financial interest. If the same securities are being considered for a client account and a supervised persons account the securities will be purchased or sold separately and only after the clients purchase or sale. This practice puts the client's investment first. However, it does not mean that the client will get a better price at the purchase or sale.

## Brokerage Practices

FSCM's primary custodian is TD Ameritrade Institutional. FSCM's advisors work with TD Ameritrade Institutional who serves as custodian for client assets. FSCM and its advisors participate in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC/NFA ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. FSCM and its advisors receive some benefits from TD Ameritrade through its participation in the Program.

As discussed above FSCM and its advisors participate in TD Ameritrade's institutional customer program and FSCM and its advisors may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between FSCM and its advisors participation in the program and the investment advice it gives to its Clients, although FSCM and its advisors receive economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors.

These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk servicing advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to FSCM and its advisors by third party vendors.

TD Ameritrade may also have paid for business consulting and professional services received by Advisors related persons. Some of the products and services made available by TD Ameritrade through the program may benefit FSCM and its advisors but may not benefit its Client accounts. These products or services may assist FSCM and its advisors in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help FSCM and its advisors manage and further develop its business enterprise. The benefits received by FSCM and its advisors through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, FSCM and its advisors endeavor at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by FSCM and its advisors in and of itself creates a potential conflict of interest and may directly influence FSCM and its advisors choice of TD Ameritrade for custody and brokerage services.



The selection of TD Ameritrade is made on the discount rates and execution services available to the client. Clients may pay transaction fees (commissions) to TD Ameritrade for stocks or bonds. TD Ameritrade provides the clients with consolidated statements. These commissions may be negotiated with TD Ameritrade periodically to reduce costs incurred by clients. FSCM and its advisors are not registered representatives of TD Ameritrade and do not receive any commissions or fees for recommending these services.

We make use of a public access system to assist clients in implementing the trades; the trades are reviewed and entered by registered personnel of TD Ameritrade. We may purchase through TD Ameritrade or through independent companies, computer equipment and/or real-time computer data to facilitate sending and receiving account information. TD Ameritrade may also pay or reimburse FSCM or its advisors expenses (including travel, lodging, meals and entertainment expenses) for FSCM's personnel to attend conferences or meetings relating to the TD Ameritrade's advisor custody and brokerage services generally.

TD Ameritrade is a discount broker-dealer independent of an unaffiliated with FSCM and its advisors and there is no employee or agency relationship between them. TD Ameritrade does not supervise FSCM or its advisors and has no responsibility for FSCM's or its advisors management of client portfolios or FSCM or its advisors other advice or services. FSCM and its advisors will encourage their clients to custody their assets at TD Ameritrade. Clients may wish to use other custodians. Advantages and disadvantages are discussed in under the heading "CUSTODY"

We currently do not receive referrals from broker-dealers.

FSCM may purchase and/or sell the same security for many accounts, even though each client account in individually managed. When possible, FSCM may also aggregate the same transaction in the same securities for many clients for whom FSCM has discretion to direct brokerage. Clients in aggregated transactions each receive the same price per unit, although they may pay different brokerage commissions/ticket charges depending on the nature of their directed brokerage agreement, if any. If more than one price is paid for securities in an aggregated transaction, each client in the aggregated transaction will receive the average price paid for the block of securities in the same aggregated transaction for the day. Most of the transactions will be listed as a market order.

## **Review of Accounts**

FSCM and its advisors request all clients to have an annual review of their accounts by any of the supervised persons of FSCM. Any client may request a review at any time with one of FSCM'S supervised persons. Clients receive monthly statements or quarterly statements from the custodian. These are reviewed with clients at least once a year or as requested by the client.

## **Client Referrals and Other Compensation**

FSCM and its supervised persons receive no compensation for referrals nor do we pay any compensation for referrals received.

## **Custody**

FSCM does not act as a custodian. Therefore, clients must establish a custodial relationship with another institution such a as a brokerage firm, bank, trust company or insurance company in order to use FSCM's services. Clients who do not have an existing custodial arrangement may ask FSCM to suggest an appropriate institution to them. Factors considered by the firm in suggesting custodians may include but not limited to: settlement capabilities, clearance, prompt and accurate reporting and the competitiveness





of their trading fees. In selecting a custodian (where FSCM has that discretion) for any transaction or series of transactions, FSCM may consider a number of factors. Factors may include, for example, net price, reputation, financial strength and stability, efficiency of execution and error resolution, offering to FSCM on-line access to computerized data regarding client's accounts, and other matters involved in the receipt of brokerage trading costs which may be negotiated on the basis of price and execution.

Unless directed otherwise, all purchases and sales shall be directed to FSCM's custodian TD Ameritrade Institutional. Some clients of FSCM elect to utilize the services of a specific broker-dealer to act as custodian of their accounts. Clients who establish custodial accounts with a directed broker-dealer generally direct FSCM to effect all securities transactions through that broker-dealer at a rate agreed upon between the client and the broker-dealer. In cases where a client is referred to FSCM by a representative of a broker-dealer, and where the client has opened a custodial account with that broker-dealer FSCM will not negotiate commission rates with such broker-dealers unless expressly requested by the client. Clients are free to change broker-dealers at their discretion unless there is reason to believe that the new brokerage firm will not be able to provide adequate service, in which case FSCM may not be able to accept management of the account.

A client who directs FSCM to use a particular broker-dealer to effect transactions or to act as custodian of the client's account should consider whether such a designation may result in certain costs or disadvantages to the client. Such costs may include higher commission rates, less favorable execution of transactions, and the potential of exclusion of certain securities due to the inability of a particular broker dealer to provide adequate price and execution of all types of securities transactions. In addition, a client who directs the use of a broker-dealer may also be subject to disadvantages regarding the aggregation of orders. Accounts with broker-dealers that do not permit FSCM to aggregate orders and place trades through other brokers may not be able to participate in the same transactions as other client accounts that are not so restricted. In determining whether to establish an account with a broker-dealer or to direct FSCM to use a particular broker-dealer, the client may wish to compare costs and possible disadvantages of such an arrangement.

### **Investment Discretion**

FSCM accepts new accounts when it is given full investment discretion. This means the client has given FSCM permission to make investment decisions for the account without prior consultation with the client.

This is done through a Discretionary Management Agreement signed by the client and FSCM (a copy is available upon request). FSCM'S discretionary authority regarding investments may be subject to certain limitations. These limitations are recognized as restrictions and prohibitions placed by the client on transactions in certain types of business' or industries. All such restrictions are to be agreed upon in writing when the account is opened.

### **Voting Client Securities**

FSCM has elected not to vote proxies on behalf of its advisory clients. Proxy notices should be sent by the custodian to the client. FSCM does not advise clients on Proxy notices.

### **Financial Information**

FSCM does not require or solicit prepayment of more than \$1,200.00 in fees per client, six months or more in advance; therefore a balance sheet is not required. FSCM and its supervised persons have not been the subject of any bankruptcy petition in the last ten years.



## Requirements for State-Registered Advisers

First Security Capital Management's principal executive officer and chief compliance officer is Dennis Makarewicz. Dennis Makarewicz formal education and business background as well as his complete disclosure is listed below.

*Year of Birth:* 1946

### ***Formal Education after High School:***

- Henry Ford College, Education, 1963-1964
- The American College, Finance, Investments, Insurance 1990-1995

### ***Business Background for the Previous Five Years:***

- First Security Capital Management LLC, President, 09/1995-Present
- American Portfolios Financial Services, Registered Representative, 04/2008-11/2010
- American Express Financial Advisors, Senior Financial Advisor, 07/1975-09/1995
- Intercontinental Realty, Investment Advisor, 1968-1975

### ***Certifications:***

- Chartered Financial Consultant, CHFC®. This designation is issued by The American College and is granted to individuals who have at least three years of full time business experience within the five years preceding the awarding of the designation. The candidate is required to take seven mandatory courses which include the following disciplines: financial, insurance, retirement and estate planning, income taxation, investments and application of financial planning, as well as two selective courses involving the application of the aforementioned disciplines. Each course has a final proctored exam and once issued, the individual is required to submit 30 hours of continuing education every two years.
- Chartered Advisor for Senior Living, CASL®. This designation is issued by The American College and is granted to individuals who have completed the Chartered Financial Consultant designation or have been advising clients on financial and/or practical matters relating to their retirement years or on issues dealing with aging for at least three of the five years preceding the awarding of the designation. The candidate is required to take the CHFC courses along with: understanding the older client; health and long-term care financing for seniors; financial decisions for retirement.

### ***Disciplinary Information***

Investment Advisors Representatives are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to your evaluation of the advisor or the integrity of its management.

Dennis Makarewicz does not have material information applicable in your evaluation of the advisor from any administrative, civil, criminal or regulatory proceedings within the past 10-years.

Dennis has never been involved in a criminal or civil action in any court of competent jurisdiction and has never been convicted or pled guilty or nolo contendere ("no contest") to any felony, or misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or a conspiracy to commit any of these offenses; ; Dennis is not the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; has not found to have been involved in a violation of an investment-related statute or regulation nor was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise



limiting, the supervised person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

Dennis has never had an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which he was found to have caused an investment-related business to lose its authorization to do business; or was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority denying, suspending, or revoking the authorization of a supervised person to act in an investment-related business; barring or suspending a supervised person's association with an investment-related business; otherwise significantly limiting a supervised person's investment-related activities; or imposing a civil money penalty of more than \$2,500 on a supervised person.

Dennis has not had a self-regulatory organization (SRO) proceeding in which he was found to have caused an investment-related business to lose its authorization to do business; or was found to have been involved in a violation of the SRO's rules and was: barred or suspended from membership or from association with other members, or was expelled from membership; otherwise significantly limited from investment-related activities; or fined more than \$2,500.

Dennis has not had any other proceeding in which a professional attainment, designation, or license of his was revoked or suspended because of a violation of rules relating to professional conduct.

### ***Other Business Activities***

Dennis Makarewicz is not registered and does not have an application to register as a broker-dealer, registered representative of a broker-dealer, futures commission merchant (FCM), commodity pool operator ("CPO"), commodity training advisor ("CTA"), or an associated person of an FCM, CPO, or CTA. Also, there is no relationship with any other financial activities that would create a conflict of interest with clients. Dennis does not receive any commissions, bonuses or other compensation from the sale of any securities or other investment product.

### ***Additional Compensation***

Dennis Makarewicz does not receive additional compensation in his capacity at FSCM from any other source.

### ***Supervision***

Dennis Makarewicz is president, chief compliance officer and sole owner of First Security Capital Management. As such, his investment advisory business is self monitored. Mr. Makarewicz is bound by FSCM Code of Ethics (available upon request) and FSCM's written supervisory procedures.

### ***Requirements for State-Registered Advisors***

Dennis has never been subject or found liable in any arbitration, civil, self-regulatory organization or administrative proceeding involving any of the following:

- an investment or an investment-related business or activity;
- fraud, false statement(s), or omissions;
- theft, embezzlement, or other wrongful taking of property;
- bribery, forgery, counterfeiting, or extortion; or
- dishonest, unfair, or unethical practices.

Dennis has not filed and is not subject of a bankruptcy petition.

