

SHANKLINCAPITALMANAGEMENT, Inc.
A Registered Investment Advisor

dba



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FIRM BROCHURE **(Part 2A of Form ADV)**

This brochure provides information about the qualifications and business practices of Sycamore Financial Advisors, Inc. If you have any questions about the contents of this brochure, please contact us at: (731) 784-4444, or by email at: info@sycamorefa.com. The information in this brochure has not been approved or verified by the United State Securities and Exchange Commission, or by any state securities authority.

Sycamore Financial Advisors, Inc. is a registered investment advisor. Registration of an Investment Advisor does not imply any level of skill or training. The oral and written communications of an Advisor provide you with information about which you determine to hire or retain and Advisor.

Additional information about Sycamore Financial Advisors, Inc. is available on the SEC's website at www.adviserinfo.sec.gov

December 31, 2012

Material Changes

Annual Update

The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the firm brochure.

Material Changes since the Last Update

On July 28, 2010, the United States Securities and Exchange Commission published “Amendments to Form ADV” which amends the disclosure documents that we provide to clients as required by SEC rules. The basic requirement is that you receive this disclosure in a narrative “plain English” format. The new rule also specifies mandatory sections and organization.

In the future this item will only discuss specific material changes that are made to the Brochure and provide clients with a summary of such changes. We will also reference the date of our last annual update of our brochure.

In the past we have offered or delivered information about our qualifications and business practices to clients on at least an annual basis. Pursuant to new SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

There have been no material changes to our brochure since last updated on December 31, 2012.

Full Brochure Available

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (731) 784-4444 or by email at: info@sycamorefa.com. Our Brochure will also be available on our website www.sycamorefa.com at no charge.

Additional information about Sycamore Financial Advisors, Inc. is also available on the SEC’s web site www.adviserinfo.sec.gov. The SEC’s web site also provide information about any person affiliated with Sycamore Financial Advisors, Inc. who are registered, or are required to be registered, as investment adviser representatives of Sycamore Financial Advisors, Inc.

Table of Contents

Material Changes

Annual Update.....	i
Material Changes Since Last Update	i
Full Brochure Available	i

Advisory Business

Firm Description	1
Principal Owners	1
Types of Advisory Business.....	2
Tailored Relationships.....	2
Managed Assets.....	3

Fees and Compensation

Description	3
Fee Billing.....	4
Other Fees	5
Past Due Accounts and Termination of Agreement.....	5
Compensation for Sales of Investment Products.....	5

Performance Based Fees

Sharing of Capital Gains	5
--------------------------------	---

Types of Clients

Description	6
-------------------	---

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis.....	6
Investment Strategies	6
Risk of Loss.....	6

Disciplinary Information

Legal and Disciplinary	7
------------------------------	---

Other Financial Industry Activities and Affiliations

Activities	7
Affiliations	7

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

Code of Ethics	7
Participation or Interest in Client Transactions.....	7

Brokerage Practices

- Selecting Brokerage Firms 8
- Soft Dollars 8
- Directed Brokerage 8

Review of Accounts

- Periodic Reviews 8
- Review Triggers 9
- Regular Reports 9

Client Referrals and Other Compensation

- Incoming Referrals 9
- Referrals to Other Professionals 9

Custody

- Account Statements 9
- Statements Provided by Sycamore Financial Advisors, Inc. 9
- SEC “Custody” 10

Investment Discretion

- Discretionary Authority for Trading 10
- Limited Power of Attorney 10

Voting Client Securities

- Proxy Votes 10

Financial Information

- Financial Condition 12

Business Continuity Plan

- General 12
- Disasters 12
- Alternate Offices 12
- Loss of Key Personnel 13

Information Security Program

- Information Security 13
- Privacy Notice 13

Brochure Supplement (Part 2B of Form ADV)

Education and Business Standards 16
Professional Certifications 16
Leslie Jaco, Jr., Principal..... 18
Paul B. Shanklin, CFP®..... 19
Tim L. Shanklin, CPC 20
Robert T. Tucker III, CFP® 21

Advisory Business

Firm Description

Shanklin Capital Management, Inc. (now operating as Sycamore Financial Advisors, Inc.) was founded in December, 1993 by Dan P. Shanklin and Tim L. Shanklin. There are currently four Investment Advisor Representatives and one Insurance Consultant affiliated with the firm. The firm is registered with the State of Tennessee Department of Commerce and Insurance, Securities Division as a Registered Investment Advisor.

Sycamore Financial Advisors, Inc. (SFA) provides personal financial planning and investment management to individuals, corporations, families and their related entities, trusts and estates, and family businesses. SFA works with clients to define financial objectives and to develop strategies for reaching those objectives, some of which may include: identification of financial problems, cash flow and budget management, tax planning, risk exposure review, investment management, education funding, retirement planning, estate planning, charitable goals, special needs planning, family business issues, fringe benefits, and/or other issues specific to the client.

The firm's compensation is from fees paid directly by clients, except in the circumstance of insurance placement, which is paid to the producers by the insurance companies. The firm does not receive commission based on the client's purchase of any financial product, except for some insurance contracts. No referral fees are paid or accepted. **M i n i m a l** benefits are received from custodians/broker-dealers based on client securities transactions ("soft dollar benefits").

Assets under direct management of SFA are held by independent custodians, primarily Charles Schwab & Co. Institutional Services or others in the client's name. SFA does not act as a custodian of client assets, although we may at times be considered by the SEC to technically have "custody" over certain types of accounts held at independent custodians. This occurs primarily when a representative of SFA is the trustee of an unrelated trust and SFA is the investment advisor on the trust's investment accounts.

We may recommend other professionals (e.g. lawyers, accountants, insurance agents, real estate agents, etc.) at the request of the client. Other professionals are engaged by the client on an as-needed basis even when recommended by the Advisor. Conflicts of interest will be disclosed to the client and managed in the best interest of the client.

Principal Owners

Leslie Jaco, Jr. is the majority owner of Shanklin Capital Management, Inc. holding 76% of the outstanding shares. The remaining shares are held by three individuals who are passive investors in the firm, having no position in the daily operation of the business. None of these individuals hold more than 20% of the shares outstanding.

Types of Advisory Services

The primary type of advisory service offered by SFA is investment management and investment advice. SFA also provides financial planning as a part of an on-going relationship with its clients.

In performing its services, SFA is not required to independently verify any information received from the client or from the client's other professionals. Each client is advised that it remains his/her responsibility to promptly notify SFA when there is any change in his/her financial situation and/or financial objectives for the purpose of reviewing, evaluating, or revising previous recommendations and/or services.

The following are typical financial services offered to clients:

Investment Management Services

This service includes financial planning, implementation, ongoing asset management and monitoring services. Financial planning may include identification of financial problems, cash flow and budget management, tax planning, risk exposure review, investment management, education funding, retirement planning, estate planning, charitable goals, small business planning issues, fringe benefits, special needs planning and other issues specific to the client. Our services also includes implementation of recommendations accepted by client, unlimited telephone support, meetings as required, on-going financial planning services, reminders of specific courses of action that need to be take, and quarterly, semi-annual or annual portfolio reviews as needed with each client. More frequent reviews may occur as requested or necessitated by changes in the client's circumstances.

Financial Planning/Snapshot

This service includes financial planning only. No implementation services or ongoing asset management services are provided. Financial planning may include identification of financial problems, cash flow and budget management, tax planning, risk exposure review, investment management, education funding, retirement planning, estate planning, charitable goals, small business planning issues, fringe benefits, special needs planning or other issues specific to the client. A written evaluation of the client's current situation and their goals is provided to the client. Recommendations are given in each area specifically requested by the client.

Tailored Relationships

At SFA advisory services are tailored to the individual needs of clients. Client goals and objectives are clarified in meetings and via correspondence, and used to determine the course of action for each individual client. The goals and objectives for each client are documented in our client records and files either in hard copy or electronic files.

Clients may impose restrictions on investing in certain securities or types of securities. This must be done in writing and signed by the client, SFA and the applicable client representative.

Assets Under Management

As of December 31, 2012, SFA managed approximately \$28,255,358.00 in assets for about 308 accounts or around 191 households. Approximately \$20,732,020.00 is managed on a discretionary basis and \$7,523,348.00 on a non-discretionary basis.

Fees and Compensation

Description

SFA bases its fees on a percentage of Assets Under Management (AUM), hourly charges, fixed fees and a retainer that is not calculated on an AUM basis or an hourly estimate. All fees are negotiable.

Investment Management Fees

There are two basic fee schedules utilized. These schedules differ on the type of investments generally utilized and the scope of management required for the portfolio.

The first is the Strategic Asset Management (SAM) approach, which is based on the development of an asset allocation strategy and it is implemented primarily with Mutual Funds and other pooled securities such as Exchange Traded Funds (ETFs) and Closed End Funds (CEFs). The base fee for this service is an annual rate of 1.25% of AUM with breakpoint discounts for relationship that exceed certain thresholds of total account value. There is a minimum fee charged for all accounts. The standard schedule is:

<u>Ending Account Balance</u>	<u>Annual Management Fee</u>	<u>Minimum Monthly Fee</u>	<u>Maximum Monthly Fee</u>
up to \$2,000,000	1.25%	\$3.33	\$2,083.33
\$2,000,001 - \$4,000,000	1.00%	\$1,666.67	\$3,333.33
\$4,000,001 - \$6,000,000	0.75%	\$2,500.00	\$3,750.00
over \$6,000,000	negotiable	negotiable	negotiable

A typical account charge is calculated similar to the following example:

Account Value at End of Month - \$100,000.00

Annual Fee Rate – 1.25%

Monthly Fee Rate – $1.25\% / 12 = 0.10417\%$

Fee = $100,000.00 \times 0.0010417 = \104.17

The second is the Strategic Investment Management (SIM) approach which also develops an asset allocation strategy, but it is implemented with positions in individual stocks, bonds, preferred stocks, and convertible securities in addition to the vehicles used in the SAM approach. Certain option strategies may be utilized in the SIM approach to enhance income to the portfolio or to hedge the risk of certain positions. (Remember that there are certain risks in option trading and

these are disclosed in full detail in the OCC brochure “Characteristics and Risks of Standardized Options” which is provided to each client using this strategy and available on request). The base fee for this service is an annual rate of 1.65% of AUM with breakpoint discounts for relationship that exceed certain standard schedule is:

<u>Ending Account Balance</u>	<u>Annual Management Fee</u>	<u>Minimum Monthly Fee</u>	<u>Maximum Monthly Fee</u>
up to \$500,000	1.65%	\$3.33	\$687.50
\$500,001 - \$1,000,000	1.50%	\$625.00	\$1,250.00
\$1,000,001 - \$2,000,000	1.25%	\$1,041.67	\$2,083.33
\$2,000,001 - \$3,000,000	1.00%	\$1,666.67	\$2,500.00
over \$3,000,000	negotiable	negotiable	negotiable

A typical account charge is calculated similar to the following example:

Account Value at End of Month - \$100,000.00

Annual Fee Rate – 1.65%

Monthly Fee Rate – $1.65\% / 12 = 0.1375\%$

Fee = $100,000.00 \times 0.001375 = \137.50

Comprehensive Financial Planning

Financial planning services are performed at an hourly rate of \$150.00/hour or for a set fee negotiated with the client. Such fee depends on the scope service provided, estimated time required and any expected expenses incurred.

Fee Billing

Investment Management clients are typically billed monthly in arrears based on the month end valuation of each affected account at the rate of $1/12^{\text{th}}$ (e.g. $1.25\% / 12 = 0.0010417\%$) the contracted annual rate. Fees are deducted from a designated brokerage account unless other arrangements are selected. The client must consent to direct fee deduction from a designated brokerage account. Clients have the option of paying earned fees from invoices billed directly to the client. Quarterly billing is available in certain circumstances.

Financial planning and other advisory services are not deducted from any brokerage account and are billed directly to the client. All fees are due and payable on receipt unless other arrangements are made in advance.

Insurance services are generally paid from fees and commissions charged as expenses inside the insurance contract. Such fees and commissions are paid to the producer by the insurance company underwriting the insurance policies. Full disclosure of commissions paid is available and such commissions are typically not discountable by law. Occasionally fee only contracts are available and will be used when deemed advantageous and appropriate for the client.

Other Fees

Custodians may charge transaction fees on purchases and sales of certain mutual funds, stocks, bonds, and exchange traded funds. These transaction charges are usually relatively small and are incidental to the purchase or sale of a security. In some cases, custodians also charge monthly, quarterly or annual custody fees. Fees for custody are disclosed to clients when this type of arrangement is recommended.

Mutual funds and exchange traded funds generally charge a management fee for their services as investment managers. The management fee is included in the expense ratio. Mutual fund fees also include transaction charges for the purchase or sale of securities within the fund and may charge other fees as disclosed in the fund prospectus. These fees are in addition to the fees paid by the client to SFA, Inc.

Please see the section entitled “Brokerage Practices” on page 8 for more information.

Past Due Accounts and Termination of Agreement

SFA reserves the right to stop work on any account that is more than 60 days overdue. In addition, SFA reserves the right to terminate any engagement where a client has willfully concealed or has refused to provide pertinent information about financial situations when necessary and appropriate to providing proper financial advice, per the judgment of SFA. Clients may terminate their agreement at any time by providing written notice.

Terminating clients will be billed on a pro rata basis for services rendered and not previously charged. No fees are collected in advance; therefore no refunds of fees for unearned services will be paid.

Compensation for Sales of Investment Products

The firm’s compensation is primarily from fees paid directly by clients. The firm does not receive commissions based on the client’s purchase of any financial product, except insurance. No other compensation in any form is accepted.

Performance-Based Fees

Sharing of Capital Gains

SFA does not use a performance-based fee structure because of the potential conflict of interest. Performance-based compensation may create an incentive for the advisor to recommend an investment that may carry a higher degree of risk to the client. However, the nature of asset-based fees allows SFA to participate in the growth of the client’s wealth. This also means that our fees can decline when the client’s portfolio declines in value.

Types of Clients

Description

SFA generally provides investment advice to individuals, families, businesses, trusts and estates. Advice may extend to entities related to the clients such as small businesses and charitable organizations, including foundations and endowments. Client relationships vary in scope and length of service.

SFA does not impose a minimum dollar value of assets or other conditions for opening or maintaining an account.

Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Security analysis methods at SFA include fundamental and technical analysis. Fundamental analysis is used to determine where to invest and technical analysis is used to determine when to invest. The main sources of information include Morningstar reports, S&P Reports, Argus reports, Thompson Reuters databases, Charles Schwab & Co. research, Credit Suisse reports, Ned Davis Research, Dorsey Wright & Associates technical research, financial newspaper and magazines, research material prepared by others, fund prospectuses, filings with the Securities and Exchange Commission, and annual reports.

Investment Strategies

The primary investment strategy we use is strategic asset allocation. We may use passively-managed index and exchange-traded funds when appropriate for the client and actively-managed funds, common stocks, preferred stocks, REITs, Master Limited Partnerships, options, corporate bonds and municipal bonds. Portfolios are generally diversified by asset class, investment style, and geography to control the risk associated with any one specific market.

The investment strategy for a specific client is based upon the objectives, income needs, and tax situation stated by the client during consultations and reviews. The client may change these objectives at any time. The client's goals and objectives are recorded during meetings and via correspondence with the client. We do not use model portfolios and assess our performance on a client by client basis according to the goals of each client.

Risk of Loss

All investment programs have certain risks that are borne by the investor. Our investment approach keeps the risk of loss in mind. However, as with all investment clients face investment risks including the following: Loss of Principal Risk, Interest-rate Risk, Market Risk, Inflation Risk, Currency Risk, Credit Risk, Reinvestment Risk, Business Risk, Liquidity Risk and Financial Risk.

Disciplinary Information

Legal and Disciplinary

The employees and representatives of SFA have not been involved in any legal or disciplinary events related to past or present activities. The firm was assessed a fine by the State of Tennessee, Department of Commerce and Insurance, Securities Division in May, 2005, as a penalty for the late filing a conversion from SEC to state supervision after the termination of a mutual fund. No other disciplinary actions have ever been enforced upon the firm.

Other Financial Industry Activities and Affiliations

Activities

SFA does not participate in any other industry business activities.

Affiliations

SFA does not have arrangements that are material to its advisory business or its clients with any related person. We may at times recommend other professionals to our clients for services and expertise beyond our areas of skill and interest. We do not receive any compensation for the recommendation or selection of these professionals.

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

Code of Ethics

Sycamore Financial Advisors, Inc. clearly acknowledges its responsibility to ensure that all advisors act as a fiduciary on behalf of its clients. The CFP Board of Standards defines a fiduciary as: "One who acts in utmost good faith, in a manner he or she reasonably believes to be in the best interest of the client." Additionally the representatives of SFA have committed to a Code of Ethics and Fiduciary Oath as outlined by the National Association of Personal Financial Advisors (NAPFA). The key points are: putting the clients' interests first, objectivity, competence, fairness and suitability, integrity and honesty, regulatory compliance, full disclosure, and professionalism. CFP designees are also held to a Code of Ethics as outlined by the CFP Board of Standards. The firm will provide a copy of the Code of Ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

SFA and its representatives may at times buy or sell securities that are also held by clients. Representatives may not trade their own securities ahead of client trades. Representatives must always comply with the provisions of the SFA "Policies & Procedures Manual".

The Chief Compliance Officer of SFA is Leslie Jaco, Jr., the firm principal. Les reviews all employee trades each quarter. The personal trading reviews ensure that the personal trading of representatives is not based on inside information and that clients receive preferential treatment.

The trades are not of significant size or volume to materially affect prices in the securities market.

Brokerage Practices

Selecting Brokerage Firms

SFA has no affiliation with any product sales firms. Specific custodian recommendations are made to clients based on their need for such services. In most cases SFA recommends using Charles Schwab Institutional Services for account custody, clearing, and record keeping based on the proven integrity and financial responsibility of the firm, outstanding execution of orders at reasonable rates and the quality of customer service.

SFA can recommend other discount brokerage firms and trust companies (qualified custodians) as fits the needs and wishes of our clients. Our standard for quality benefits, value, and service remain high in all cases. SFA does not receive fees or commissions from any of these arrangements, although SFA may benefit from electronic delivery of client information, electronic trading platforms and other services provided by custodians for the benefit of clients. SFA may also benefit from other services provided by custodians, such as research, continuing education, and practice management advice. These benefits are standard in a relationship with these custodians and are not in return for client recommendations or transactions.

SFA reviews the execution of trades at each custodian annually. The review is documented in the SFA "Policies & Procedures Manual". Trading fees charged by the custodians are reviewed on an annual basis. SFA does not receive any portion of the trading fees.

Soft Dollars

SFA does receive soft dollar benefits from the custodians to whom we recommend clients. These benefits comprise of modest discounts from some application software and research resources. The monetary value of such discounts is estimated to be a few hundred dollars.

Directed Brokerage

We do not direct brokerage for specific client transactions except individual municipal bonds and some corporate bonds, for which we select the broker-dealer with the best pricing on each individual trade.

Trades in mutual funds do not garner any client benefit. However, when more than one account is trading a particular stock or ETF on the same day, block trading may be used to get identical pricing on the trades.

Review of Accounts

Periodic Reviews

The frequency of review is individually negotiated with each client. Clients are provided with

annual reviews which may include asset allocation updates and rebalancing, performance reviews, tax and estate plan issues, investment reviews, retirement reviews and more. More reviews are available at the request of the client and may vary in focus. The reviews are performed by the representative that manages the account and relationship.

Review Triggers

Accounts reviews are performed more frequently when market conditions dictate, or when a client's objectives or circumstances change. A review may be triggered by client request, changes in market condition, new information about an investment, changes in tax laws, or other important changes. Reviews are always recommended and encouraged at the time of major "life events".

Regular Reports

Written reports are sent to clients based on their negotiated frequency of reviews. The reports may consist of an individualized letter summarizing the results of the review and our general thoughts on the economy and market conditions. Other included items may be a statement of holdings, Morningstar "Snapshot" or other such portfolio reports, asset allocation analysis, tax-related information, portfolio graphs or other reports as needed.

Client Referrals and Other Compensation

Incoming Referrals

SFA has been fortunate to receive many client referrals over the years. The referrals have come from current clients, attorneys, accountants, associates, personal friends of associates and other sources. The firm does not pay for referrals.

Referrals to Other Professionals

SFA does not accept referral fees or any form of remuneration from other professionals when a prospect or client is referred to them.

Custody

Account Statements

All assets are held at qualified custodians, who provide account statements directly to clients at their address at least quarterly. Occasionally, qualified clients may invest in private placements which are not held at qualified custodians. In these cases, statements are generally provided directly by the investment principal at least annually. Clients are encouraged to carefully review the statements provided by their custodians.

Statements Provided by Sycamore Financial Advisors, Inc.

Clients are at times provided account statements, net worth statements and net worth graphs that

are generated from our planning and reporting software. Such statements may contain approximations of bank account balances provided by the client, as well as the value of land, real estate, limited partnerships, and other hard-to-price assets. The net worth statements are used for long-term financial planning where the exact value of assets is not material to the financial planning tasks. The book value of hard-to-price assets are reviewed whenever supplemental information relating to valuation is received. Otherwise these assets are priced at client cost. Clients are urged to compare the statements they receive from us to those they receive from their qualified custodians.

SEC “Custody”

According to a recent ruling by the SEC, investment advisors are deemed to have “custody” of client funds if certain conditions are met. From time to time, SFA may be technically to have custody of certain types of accounts, such as when a representative acts as a trustee of an unrelated trust and SFA acts as the investment advisor to that trust. In this case, the SEC requires an annual surprise audit of those “custodial” accounts by an independent CPA firm. SFA complies with this requirement.

Investment Discretion

Discretionary Authority for Trading

SFA accepts discretionary authority to manage securities accounts on the behalf of clients. SFA has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, and the amount of securities to be bought or sold. However, if discretionary authority or a limited power of attorney has not been given, SFA consults with the client prior to each trade to obtain concurrence. Discretionary authority facilitates placing trades in clients’ accounts on their behalf so that we may promptly implement the investment policy that they have approved. In most cases, clients are provided with an opportunity for review and discussion prior to implementation.

Third party investment managers, such as mutual fund managers, have full discretion over trades and do not consult with SFA or with clients before placing trades.

Limited Power of Attorney

Clients must sign a limited power of attorney before SFA is granted discretionary authority. The limited power of attorney is included in the qualified custodian’s account application for our main custodians. For accounts not held with our main custodians, clients sign a separate limited power of attorney document giving discretionary authority to SFA.

Voting Client Securities

Proxy Votes

Unless the client designates otherwise, SFA votes proxies for securities over which it maintains discretionary authority consistent with its proxy voting policy. In accordance with SEC Rule 206(4)-6 SFA has established the following policies and procedures:

I. Voting Mutual Fund Shares:

a. Funds Recommended by SFA

- i. SFA monitors the activity of funds it recommends to clients
- ii. SFA will review the issue on a case-by-case basis and vote proxies when the proxies are delivered to SFA or when a client requests information on how to vote. The primary purpose and fiduciary responsibility of SFA in voting proxies is to maximize shareholder value.
- iii. SFA does not vote proxies that are based solely on social issues. b.

Funds in client portfolios that were not recommended by SFA:

- i. SFA due diligence on funds not recommended by us is limited to performance reviews relative to peers.
- ii. In the case where we recommend other funds in a fund family, but not the specific fund requiring voting, we will make recommendations based on our knowledge of general issues and procedural changes common to funds we do recommend.

II. Voting Shares of Equities

- a. For individual equities we have directly recommended, we review issues on a case-by-case basis to determine how to vote, with the knowledge that the primary purpose and fiduciary responsibility of SFA in voting proxies is to maximize shareholder value.
- b. When we receive proxy statements for equities recommended by a third party investment manager, we will call the investment manager for voting instructions or we will mail the proxies to the investment manager.
- c. When the clients request advice on proxy voting for shares of stock in their portfolios that SFA has not recommended, we will review the material provided by the client and educate the client on the issues involved. It is the client's responsibility to understand the issues and to vote the shares.

III. Records of Proxy Votes

- a. SFA maintains a separate file recording the history of all proxy votes. Clients may obtain, free of charge, a record of SFA voted proxy issues on their behalf by submitting a written request or calling us at (731) 784-4444.

IV. Conflicts of Interest

- a. Should a conflict of interest exist between SFA and client(s) regarding the outcome of certain proxy votes, SFA is committed to resolving the conflict in the best interest the clients before it votes the proxy in question. SFA may take any of the following courses of action to resolve the conflict:
 - i. Discloses the conflict to clients and obtain consent before voting.
 - ii. Suggest that client(s) engage another party to determine how the proxy should be voted.
 - iii. Vote according to the recommendation of an independent third party, such as a proxy consultant, research analyst, proxy voting department of a mutual fund or pension fund or compliance consultant.

Clients may direct a proxy vote at any time by calling or writing to us to inform us of their desired vote. A copy of SFA's proxy voting policy is available upon request.

Financial Information

Financial Condition

SFA does not have any financial impairment that will preclude the firm from meeting contractual commitments to clients. A balance sheet is not required to be provided because SFA does not serve as a custodian for client funds or securities, other than as described above, and does not require prepayment of fees.

Business Continuity Plan

General

SFA has a business continuity plan in place that provides detailed steps to mitigate and recover from the loss of office space, communication, services or key people.

Disasters

The Business Continuity Plan covers natural disasters such as snow storms, floods, tornadoes, fire, and flooding. The plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archive on-and offsite.

Alternate Offices

Alternate work locations are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

Loss of Key Personnel

SFA has contingency plans for continuation of operation in the event of Principal Leslie Jaco's serious disability or death.

Information Security Program

Information Security

SFA maintains an information security program to reduce the risk that personal and confidential information may be breached.

Privacy Notice

SFA is committed to maintaining the confidentiality, integrity and security of the personal information that is entrusted to us. The categories of nonpublic information that we collect from our clients may include information about personal finances, information about health to the extent that it is needed for the financial planning process, information about transactions between clients and third parties, and information from consumer reporting agencies, e.g. credit reports. We use this information to help our clients meet their personal financial goals.

With our clients' permission, we disclose limited information to attorneys, accountants, and mortgage lenders with whom they have established a relationship. Clients may opt out from our sharing information with these nonaffiliated third parties by notifying us at any time by telephone, mail, fax, email or in person. With client permission we share a limited amount of information with the client's brokerage firm in order to execute securities transaction on their behalf.

We maintain a secure office to ensure that our clients' information is not placed at unreasonable risk. We employ a firewall barrier, secure data encryption techniques and authentication procedures in our computer environment.

We do not provide personal information to mailing list vendors or solicitors. We require strict confidentiality in our agreements with unqualified third parties that require access to personal information, including financial service companies, consultants, and auditors. Federal and state securities regulators may review our Company records and personal records as permitted by law.

Personally identifiable information will be maintained while still a client of SFA and for the required period thereafter that records are required to be maintained by federal and state securities laws. After that time, information may be destroyed.

We will notify our clients in advance if our privacy policy is expected to change. We are required by law to deliver this Privacy Notice to our clients annually, in writing.

Brochure Supplement (Part 2B of Form ADV)

Supervised Persons

Leslie Jaco, Jr., Paul B. Shanklin, Tim L. Shanklin, Robert T. Tucker II

Shanklin Capital Management, Inc.

dba

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Humboldt, TN 38343
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As of December 31, 2012

This brochure supplement provides information about Leslie Jaco, Jr., Paul B. Shanklin, Tim L. Shanklin and Robert T. Tucker III that supplements the SFA, Inc. brochure. You should have received a copy of that brochure. Please contact SFA, Inc. if you did not receive SFA's brochure or if you have any questions about the contents of this supplement.

Additional information about Les Jaco, Paul Shanklin, Tim Shanklin or Rob Tucker is available on the SEC's website at www.adviserinfo.sec.gov

Education and Business Standards

SFA requires that any representative whose function involves determining or giving investment advice to clients must be a graduate of a four year college or equivalent professional training and credentials, such as a CFP® designation and must:

1. Have at least three years' experience in insurance, investments, accounting or financial planning;
 2. Hold the Series 65 Investment Adviser Representative license or its equivalent;
 3. Subscribe to the Code of Ethics of the National Association of Personal Financial Advisers (NAPFA) and the CFP® Board of Standards;
 4. Be properly licensed for all advisory activities in which they are engaged;
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Professional Certifications

Representatives have earned certifications and credentials that are required to be explained in further detail.

CERTIFIED FINANCIAL PLANNER™

CERTIFIED FINANCIAL PLANNER™, CFP® and federally registered CFP (with flame design) marks (collectively, the CFP® marks) are professional certification marks granted in the United States by Certified Financial Planner Board of Standards, Inc. ("CFP Board"). The CFP® certification is a voluntary certification; no federal or state law or regulation requires financial planners to hold CFP® certification.

To attain the right to use the CFP® marks, an individual must satisfactorily fulfill the following requirements:

CFP® Certification Requirements

Education: CFP® professionals must develop their theoretical and practical financial planning knowledge by completing a comprehensive course of study at a college or university offering a financial planning curriculum approved by CFP Board. Other options for satisfying the education component include submitting a transcript review or previous financial planning-related course work to CFP Board for review and credit, or showing the attainment of certain professional designations or academic degrees.

Examination: CFP® practitioners must pass a comprehensive two-day, 10-hour CFP® Certification Examination that tests their ability to apply financial planning knowledge in an integrated format. Based on regular research of what planners do, the exam covers the financial planning process, tax planning, employee benefits and retirement planning, estate planning, investment management and insurance.

Experience: CFP® professionals must have three years minimum experience in the financial planning process prior to earning the right to use the CFP® certification marks. As a result,

CFP® practitioners possess financial counseling skills in addition to financial planning knowledge.

Ethics: As a final step to certification, CFP® practitioners agree to abide by a strict code of professional conduct, known as CFP Board's *Code of Ethics and Professional Responsibility*, that sets forth their ethical responsibilities to the public, clients and employers. CFP Board also performs a background check during this process, and each individual must disclose any investigations or legal proceedings related to their professional or business conduct.

Individuals who become certified must complete the following ongoing education and ethics requirements in order to maintain the right to continue to use the CFP® marks:

Continuing Education – Complete 30 hours of continuing education hours every two years, including two hours on the Code of Ethics and other parts of the Standards of Professional Conduct, to maintain competence and keep up with developments in the financial planning field; and

Ethics – renew an agreement to be bound by the Standards of Professional Conduct. The Standards prominently require that CFP® professionals provide financial planning services at a fiduciary standard of care. This means that CFP® professionals must provide financial planning services in the best interests of their clients.

CFP® professionals who fail to comply with the above standards and requirements may be subject to CFP Board's enforcement process, which could result in suspension or permanent revocation of their CFP® certification.

CERTIFIED PENSION CONSULTANT-CPC

Certified Pension Consultant requirements:

As the culminating designation for the non-actuary ASPPA (American Society of Pension Professionals & Actuaries) member, the Certified Pension Consultant (CPC) credential is intended as an opportunity for a successful candidate to demonstrate an ability to draw from his or her accumulated retirement plan knowledge and experience.

To earn the CPC credential, candidates build upon a foundation of knowledge acquired by passing the examinations required for the Qualified 401(k) Administrator (QKA) and Qualified Pension Administrator (QPA) credentials. The QKA program focuses on 401(k) plan recordkeeping, nondiscrimination testing and administrative aspects that 401(k) administrators need to know. The QPA encompasses technical administration, compliance and reporting functions for all types of qualified plans.

The CPC program covers all qualified plan aspects in great depth to provide the detailed knowledge that a plan consultant would utilize in areas of plan design, administration and in fulfilling departmental leadership roles for compliance, relationship management, plan documents and operations. CPC candidates will demonstrate their knowledge and experience through the completion of specific core and elective modules as well as a single comprehensive proctored CPC essay examination.

The modules and proctored exam will provide opportunities for analyzing and solving consulting problems that might be encountered in real-life client situations. In professional practice, more than one statutory provision or retirement plan consideration often applies, and the pension consultant must be able to recognize and evaluate in depth each potential issue for his or her

client.

Additionally, because ASPPA members are required to comply with ASPPA's Code of Professional Conduct, the topic of ethical performance in one's professional capacity forms an important part of the CPC credentialing process.

INVESTMENT ADVISOR REPRESENTATIVES

Leslie Jaco, Jr., Principal

Educational Background:

Date of Birth: 12/11/1951

Rhodes College, Bachelor of Arts, 1974

University of Virginia, graduate studies in History

University of Memphis, graduate studies in Education

Additional designations include:

- FINRA General Securities (Series 7) – *not currently active*
- State of Tennessee USALE (Series 63) – *not currently active*
- Uniform Investment Advisor Law (Series 65)
- Life, Health, and Variable Contract Insurance Licenses

Business Experience:

- Merrill Lynch Pierce Fenner & Smith
1983 to January 1987
Financial Consultant
- Highland Green Golf Club, Inc.
January 1987 to January 2005
Owner / PGA Golf Professional
- Wachovia Securities
June 2005 to February 2008
Financial Advisor
- Investment Professional, Inc./Farmer's and Merchants Bank
February 2008 to October 2009
Financial Advisor
- Sycamore Financial Advisors, Inc.
(formerly Shanklin Capital Management, Inc.)
October 2009 to Present
Principal

Disciplinary Information: None

Other Professional Activities: None

Additional Compensation: None

Supervision: Les Jaco's compliance related activities are subject to audits by the State of Tennessee Department of Insurance and Finance. It is his responsibility to ensure that all of the representatives of Sycamore Financial Advisors conduct their business in compliance with all applicable laws at the state and federal level.

Les Jaco's contact information:

(731) 784-4444 (731) 267-0693 cellular (731) 784-3863 fax les.jaco@sycamorefa.com

Paul B. Shanklin

Educational Background:

Date of Birth: 7/27/1962

University of Memphis, two years of undergraduate study
Christian Brothers University, Financial Planning Program

Additional Designations Include:

- Certified Financial Planner™ Practitioner
- Uniform Investment Advisor Law (Series 65)

Business Experience:

- ServiceMaster Professional Cleaning Services
1983 to 2007
Owner/Manager
- Narodniki Publishing Co. Inc.
1994 to Present
President
- Narodniki Records, LLC
1996 to Present
Manager
- Sycamore Financial Advisors, Inc.
(formerly Shanklin Capital Management, Inc.)
2001 to Present
Investment Adviser Representative

Disciplinary Information: None

Other Professional Activities: None

Additional Compensation: None

Supervision: Paul Shanklin is supervised by Les Jaco, Principal. Les reviews Paul's work through frequent contact and communication. He also reviews Paul's activities through access to the firm's client activity database.

Les Jaco's contact information:

(731) 784-4444 (731) 267-0693 cellular (731) 784-3863 fax les.jaco@sycamorefa.com

Tim L. Shanklin

Educational Background:

Date of Birth: 3/22/1966

Murray State University, Bachelor of Science in Business / Finance, 1989

Additional designations include:

- FINRA General Securities (Series 7) – *not currently active*
- State of Tennessee USASLE (Series 63) – *not currently active*
- Life, Health, and Variable Contract Insurance Licenses – *not currently active*
- Qualified 401(k) Administrator (QKA)
- Qualified Pension Administrator (QPA)
- Certified Pension Consultant (CPC)

Business Experience:

- Charles Schwab & Co., Inc.
January 1990 to July 1991
Registered Account Executive
- State of Tennessee Department of Financial Institutions
August 1991 to July 1993
Securities/Bank Examiner
- InterSecurities, Inc.
July 1993 to December 1993
Registered Representative

- Sycamore Financial Advisors, Inc.
(formerly Shanklin Capital Management, Inc.)
December 1993 to Present
Investment Adviser Representative
- Reitter & Schefenacker USA
August 2001 to May 2004
Budget/Cost Accountant
- Burleigh Consulting Group
May 2004 to Present
Pension Consultant

Disciplinary Information: None

Additional Compensation: Salary and bonus as Certified Pension Consultant with Burleigh Consulting Group

Supervision: Tim Shanklin is supervised by Les Jaco, Principal. Les reviews Tim's work through frequent contact and communication. He also reviews Tim's activities through access to the firm's client activity database.

Les Jaco's contact information:

(731) 784-4444 (731) 267-0693 cellular (731) 784-3863 fax les.jaco@sycamorefa.com

Robert T. Tucker III

Educational Background:

Date of Birth: 3/08/1954

Middle Tennessee State University, Bachelor of Business Administration, Finance, 1977

Additional designations include:

- Certified Financial Planner™ Practitioner
- FINRA General Securities (Series 7) – *not currently active*
- State of Tennessee USALE (Series 63) – *not currently active*
- Uniform Investment Advisor Law (Series 65)
- Life, Health, and Variable Contract Insurance Licenses

Business Experience:

- Trans-National Travel/American Express Travel Services
December 1977 to May 1997
Partner and General Manager
- American Express Financial Advisors
June 1997 to September 1998
Personal Financial Advisor
- Raymond James Financial Services
January 1999 to November 2002
Financial Advisor
- Sycamore Financial Advisors, Inc.
(formerly Shanklin Capital Management, Inc.)
November 2005 to Present
Investment Advisor Representative

Disciplinary Information: None

Other Professional Activities: None

Additional Compensation: None

Supervision: Rob Tucker is supervised by Les Jaco, Principal. Les reviews Rob's work through frequent contact and office communication. He also reviews Rob's activities through access to the firm's client activity database.

Les Jaco's contact information:

(731) 784-4444 (731) 267-0693 cellular (731) 784-3863 fax les.jaco@sycamorefa.com

Shanklin Capital Management, Inc. dba Sycamore Financial Advisors, Inc. is a registered investment advisor under rules and regulations of the Investment Advisor's Act of 1940, and it is registered with the State of Tennessee Department of Commerce and Insurance, Securities Division, whose registration application is materially the same as that of the Securities and Exchange Commission (SEC). This disclosure is provided per rule 204-3 of the Act and should be read and understood prior to entering into any financial planning and/or investment advisory service agreement. Information herein has not been passed upon, or approved, by the SEC, nor has the SEC passed upon or approved the qualifications of Shanklin Capital Management, Inc. Such approval is not the normal course of the SEC.