



Investment Advisors

Form ADV Part II

2016

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Advisory Business

We manage money by developing model portfolios designed to achieve growth or income production or both. The portfolios are constructed using risk parameters established by each customer. These portfolios are either discretionarily managed or supervised. Discretion means we can buy or sell without client consultation. Supervisory accounts require us to discuss recommendations prior to any action. Advisory fees are the only funds that can be withdrawn from customer accounts to be paid to TrustFirst or any other third party. As of March 9, 2016, TrustFirst, Inc. has regulatory assets under management ("RAUM") of \$43,590,676. Discretionary accounts make up 21% of our "RAUM", while Supervisory accounts make up 78% of our RAUM.

Fees and Compensation

Fees may be charged in advance or in arrears. This is determined by each broker for his entire book of managed fee business, not per account. For simplicity, we charge using quarter end investment values of the account. The minimum fee per quarter is \$100.00. Margin assets are included where used. Equity trading accounts are subject to a higher negotiated fee with a floor of 2.5%. Each quarter, fees are deducted directly from your investment account.

Examples: \$100,000 investment value at 12/31 and a fee rate of 1.5%

(Advance) Account would be charged $(100,000 \times 1.5\% = 1,500/4 \text{ quarters})$ \$375 in January for the 1st Quarter.

(Arrears) Account would be charged \$375 in January for prior year 4th Quarter. The 1st Quarter fees would be based on 3/31 values and charged in April.

In special situations, your account fee may be negotiable, especially where there are multiple accounts where a relationship exists.

\$0 - \$500,000 = 1.5%

\$500,001-\$1,000,000 = 1.25%

\$1,000,001 and above = 1.0%

Bond/Fixed Income Accounts – Negotiable

Investment Advisory for Institutional and Qualified Pension Plans – Negotiable

For special projects, an hourly fee may be charged with customer agreement.

The Advisory Agreement may be terminated by either party at any time upon 30 days written notice. Fees will be prorated to the date of termination, with refunds to customers for unused fees. The client may cancel the contract within 5 days of signing without incurring any fees.

TrustFirst will disclose 12b-1 fees, if any, upon customer request. TrustFirst may accept a maximum of .25 basis points on fee accounts.

For stock and mutual fund transactions where Pershing charges a transaction fee to TrustFirst, TrustFirst may pass those fees on to the advisory client, generally \$15.00 per transaction.

Types of Investments

We use equity securities which include common and preferred stocks, exchange traded funds and foreign issuers. We can also use options and long options (warrants) to implement a strategy. For fixed income, we can use government, corporate and other bond type investments. We also use mutual funds and variable annuities where appropriate.

Methods of Analysis, Investment Strategies and Risk of Loss

TrustFirst uses fundamental analysis using research from a number of national sources to develop and monitor model portfolios. Sources would include Morningstar, S&P, Thomson Reuters and others. Most models are intended to be long term with adjustments made periodically. Performance based accounts are very short term by nature designed to maximize short term capital gains. Option writing strategies for income production and loss mitigation can be used.

Disciplinary Information

TrustFirst, the broker dealer, was fined \$14,000 in 2008 for sending invitations to non-customers to attend a private placement investor presentation in downtown Knoxville. The fine was paid. TrustFirst was fined \$25,000 and Don Taylor was fined \$5,000 for issues related to miscalculations of net capital in 2011 in addition to escrow violations for private placements. The fines have been paid in full. For more information, refer to the brochure supplement.

Other Financial Industry Activities and Affiliations

TrustFirst is dually registered as an investment advisor firm and a broker dealer. TrustFirst was established in 1995. TrustFirst holds its accounts primarily at Pershing LLC, a division of the Bank of New York/Mellon. Customer accounts are also held at various mutual fund and or annuity companies. TrustFirst does not custody customer assets. Additionally, TrustFirst is affiliated with another investment advisor, Trendz Advisors, Inc. The affiliation is due to common ownership of the companies by Don Taylor, founder and controlling owner of TrustFirst and Trendz Advisors. From time to time, the broker/dealer side of our business is involved in private placements of equity and debt securities. Our advisory clients may be solicited to invest in these ventures. Currently, TrustFirst is affiliated with, through Don Taylor as Manager, DG Properties I, LLC, DG Income Properties II, LLC, Tooles Bend Partners, LLC, NCDG Properties, LLC, Parsons Income Properties, LLC and Tansi DG Investors, LLC (properties leasing to Dollar General Corporation)

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

TrustFirst's Code of Ethics is clear and straightforward: Do the right thing for every client, always.

This principal implies mutual respect and a deep commitment to our fiduciary responsibilities.

Our Code of Ethics is available upon request. From time to time, employees of TrustFirst may invest alongside the firm's clients. In order to insure that employees do not "trade ahead" of clients, the firm requires all trading in specific positions come after client account trades.

Conditions for Managing Accounts

Brokerage Practices

TrustFirst's Investment Advisory is affiliated with TrustFirst, Inc., a FINRA member broker dealer. For efficiency of investment management, we require where there is a choice, to hold accounts and do trading activity through our clearing firm, Pershing LLC, a division of the Bank of New York/Mellon. Trades are done at our cost. Additionally, TrustFirst's Investment Advisory may charge fees for managed accounts held at various investment companies.

Review of Accounts

Accounts are monitored using quarterly performance reports that the client also receives. Accounts are monitored on a portfolio management system, where possible, that provides current and comprehensive information about account performance, asset allocation, and performance of each component part of the customized model or portfolio. We encourage our advisors to perform frequent reviews, especially during turbulent market periods, to help make sure risk is appropriate for each customer account.

Client Referrals and Other Compensation

Currently, TrustFirst has no formal or informal method to compensate customers for referrals.

Investment Discretion and Account Supervision

TrustFirst has two types of managed accounts. We offer supervisory management where we obtain client approval prior to implementing transactions. Discretionarily managed accounts give the manager freedom to buy and sell whenever he/she deems appropriate. In both cases, TrustFirst may only remove cash from the account for fees earned.

Client Securities - Proxy Voting

The Adviser does not vote Client proxies. The Client is responsible for voting.

Educational and Business Standards

TrustFirst requires all investment managers, through education and experience, to be able to demonstrate command of the firm's investment discipline and model implementation using customer risk profiles.
(See Brochure Supplement)

State Requirements of Investment Advisers

TrustFirst's fiscal year ends December 31. Within 120 days, TrustFirst will provide a notice to all its managed clients directing them to the TrustFirst, Inc. website to view its Form ADV, Part II. The notice will contain a

statement informing managed clients that they may call the firm to obtain a paper copy of the Form ADV, Part II. The form and notice will list any material changes that happened since the last annual amendment.

Privacy Policy

Our Commitment to Your Privacy: TrustFirst ("we", "us") have a long standing policy of protecting the confidentiality and security of information we collect about customers of investment advisors for which we provide clearing services. We will not share nonpublic personal information about you ("Information") with third parties outside of your investment advisor without your consent, except for the specific purposes described below. This notice describes the Information we may gather and the circumstances under which we may share it. Your investment advisor should have an additional separate privacy policy, which explains its privacy practices.

Why We Collect and How We Use Information: We collect and use Information to deliver service to your investment advisor and you. Such service includes maintaining your accounts, processing transactions requested by you and administering our business.

How We Gather Information: We get most Information directly from you or your investment advisor, when you apply for, access and use financial products and services offered by us or your investment advisor and its business partners - whether in person, by telephone or electronically. We may verify this Information or get additional Information from consumer reporting agencies or other sources. This Information may relate to your finances, employment or other personal characteristics, such as your first and last name, address, phone number, social security number and email address, as well as accounts with us and transactions and interactions by, with or through your investment advisor, us or others. We may also collect Information about what you have entered into, viewed on and/or downloaded from our or your investment advisor's website.

How We Protect Information: Our employees are required to protect the confidentiality of Information and to comply with our established policies. They are authorized to access Information and to comply with our established policies. They are authorized to access Information, which comply with all applicable laws.

Disclosure of Information: We may disclose any kind of Information to or as directed by your investment advisor or when we believe it necessary for the conduct of our business, or where disclosure is required or permitted by law. For example, Information may be disclosed for audit or research purposes, to attorneys or other professionals, or to law enforcement and regulatory agencies to help, among other things, prevent fraud or money laundering. In addition, we may disclose any kind of Information to third party service providers (i) to enable them to provide business services for us or your investment advisor, such as performing computer related or data maintenance or processing services for us or your investment advisor, (ii) to facilitate the processing of transactions requested by you, (iii) to assist us in offering products and services to your investment advisor or to assist your investment advisor in offering products and services to you, or (iv) for credit review and reporting purposes. Except in those specific, limited situations, without your consent, we will not make any disclosures of Information to other companies who may want to sell their products or services to you. For example, we do not sell customer lists, and we will not sell your name to a catalog company or telemarketer.

Former Customers: Even if you are no longer a customer of an investment advisor for whom we provide clearing services or we no longer provide clearing service to your investment advisor, our Privacy Policy will continue to apply to Information about you.

To Whom This Policy Applies: This Privacy Policy applies to individuals to whom products or services are provided by TrustFirst.

Further Information: We reserve the right to change this Privacy Policy. If there are material changes to this policy, an updated policy will be sent to you. The examples contained within this Privacy Policy are illustrations and they are not intended to be all inclusive.

TrustFirst, Inc. ADV, Part II Brochure Supplement

Robert William Collins

TrustFirst, Inc.
265 Brookview Centre Way, Suite 504
Knoxville, TN 37919
CRD# 51336
Registered with this firm since: March 2013

PURPOSE OF THE BROCHURE SUPPLEMENT:

This *BROCHURE SUPPLEMENT* provides information about Robert William Collins that supplements the TrustFirst, Inc. Form ADV Part II. You should have received a copy of the Form ADV Part II with your Investment Advisory Agreement. Please contact Robert William Collins if you did not receive Form ADV Part II or if you have any questions about the contents of this *BROCHURE SUPPLEMENT*. Additional information about Robert William Collins is available on the SEC's website at www.adviserinfo.sec.gov (the CRD number for Robert William Collins is 51336).

NOTE: While TrustFirst, Inc. may refer to itself as a "registered investment advisor" or "RIA," Clients should be aware that registration itself does not imply any level or skill or training.

EDUCATIONAL AND BUSINESS EXPERIENCE

Education

Mars Hill College, Bachelor of Science Degree in Biological Sciences

Business Background

TrustFirst Inc., registered representative and investment advisor representative, 2013-present
Hilliard Lyons, registered representative and investment advisor representative, 2002-2013
Investment Exams: S1 Registered Representative, S63 State, and Investment Advisor Representative (Grandfathered)

DISCIPLINARY INFORMATION

Robert William Collins has no current or past disciplinary actions. Prospective clients can view the CRD records (registration records) for Robert William Collins through FINRA's BrokerCheck database online at www.finra.org/brokercheck. The CRD number for Robert William Collins is 51336. For any pending regulatory actions, see sites listed above.

OTHER BUSINESS ACTIVITIES

In addition to being a registered investment adviser representative (hereafter “RIA Rep”) of TrustFirst, Inc., Robert William Collins is licensed as an independent insurance agent in Tennessee. Robert William Collins, as an IA Rep of TrustFirst Inc., may make recommendations on insurance products and may also, as an independent insurance agent, sell those recommended insurance products to advisory clients. When such recommendations or sales are made, a conflict of interest exists as Robert William Collins may earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. TrustFirst, Inc. requires that Robert William Collins disclose this conflict of interest when such recommendations are made.

ADDITIONAL COMPENSATION

Aside from the sales commissions paid by insurance companies to Robert William Collins (see the “OTHER BUSINESS ACTIVITIES” section above), Robert William Collins does not receive any additional compensation from non-clients for providing advisory services. All advisory compensation is paid by clients directly.

SUPERVISION

Robert William Collins is supervised by Donald O. Taylor, Principal of TrustFirst, Inc.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

TrustFirst, Inc. would be required to disclose additional information for Robert William Collins if he had ever been the subject of a bankruptcy petition or ever been found liable in either: (a) an arbitration; or (b) a civil, self-regulatory organization or administrative proceeding. As none of these apply to Robert William Collins, TrustFirst, Inc. has no information to disclose in this regard.

TrustFirst, Inc. ADV, Part II Brochure Supplement

John L. Kennedy

TrustFirst, Inc.
265 Brookview Centre Way, Suite 504
Knoxville, TN 37919
CRD# 1113524
Registered with this firm since: March 2013

PURPOSE OF THE BROCHURE SUPPLEMENT

This *BROCHURE SUPPLEMENT* provides information about John L. Kennedy that supplements the TrustFirst, Inc. Form ADV Part II. You should have received a copy of the Form ADV Part II with your Investment Advisory Agreement. Please contact John L. Kennedy if you did not receive Form ADV Part II or if you have any questions about the contents of this *BROCHURE SUPPLEMENT*. Additional information about John L. Kennedy is available on the SEC's website at www.adviserinfo.sec.gov (the CRD number for John L. Kennedy is 1113524).

NOTE: While TrustFirst, Inc. may refer to itself as a “registered investment advisor” or “RIA,” Clients should be aware that registration itself does not imply any level or skill or training.

EDUCATIONAL AND BUSINESS EXPERIENCE

Education

The University of Tennessee, Bachelor of Science in Marketing - 1978

Business Background

TrustFirst Inc., registered representative and investment advisor representative, 2013-present

Hilliard Lyons, registered representative and investment advisor representative, 1998 to 2013

Morgan Keegan, registered representative, 1986 to 1998

Hilliard Lyons, registered representative, 1983 to 1986

Investment Exams: S3 National Commodity Futures Examination, S7 General Securities Exam, S63 State, and Investment Advisor (Grandfathered)

DISCIPLINARY INFORMATION

John L. Kennedy has one event dating back to 1988. A client lost money when the stock market crashed and filed a law suit to get his money back. The client did not provide proof of loss. In order to avoid paying additional attorney fees, the firm settled with the client for \$15,000 and charges were dropped. Prospective clients can view the CRD records (registration records) for John L. Kennedy through FINRA's BrokerCheck database online at www.finra.org/brokercheck. The CRD number for John L. Kennedy is 1113524. For any pending regulatory actions, see sites listed above.

OTHER BUSINESS ACTIVITIES

In addition to being a registered investment adviser representative (hereafter "RIA Rep") of TrustFirst, Inc., John L. Kennedy is licensed as an independent insurance agent in Tennessee. John L. Kennedy, as an IA Rep of TrustFirst Inc., may make recommendations on insurance products and may also, as an independent insurance agent, sell those recommended insurance products to advisory clients. When such recommendations or sales are made, a conflict of interest exists as John L. Kennedy may earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. TrustFirst, Inc. requires that John L. Kennedy disclose this conflict of interest when such recommendations are made.

ADDITIONAL COMPENSATION

Aside from the sales commissions paid by insurance companies to John L. Kennedy (see the "OTHER BUSINESS ACTIVITIES" section above), John L. Kennedy does not receive any additional compensation from non-clients for providing advisory services. All advisory compensation is paid by clients directly.

SUPERVISION

John L. Kennedy is supervised by Donald O. Taylor, Principal of TrustFirst, Inc.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

TrustFirst, Inc. would be required to disclose additional information for John L. Kennedy if he had ever been the subject of a bankruptcy petition or ever been found liable in either: (a) an arbitration; or (b) a civil, self-regulatory organization or administrative proceeding. As none of these apply to John L. Kennedy, TrustFirst, Inc. has no information to disclose in this regard.

TrustFirst, Inc. ADV, Part II Brochure Supplement

James Anthony Powers

TrustFirst, Inc.
265 Brookview Centre Way, Suite 504
Knoxville, TN 37919
CRD# 2832074
Registered with this firm since: March 2010

PURPOSE OF THE BROCHURE SUPPLEMENT

This *BROCHURE SUPPLEMENT* provides information about James Anthony Powers that supplements the TrustFirst, Inc. Form ADV Part II. You should have received a copy of the Form ADV Part II with your Investment Advisory Agreement. Please contact James Anthony Powers if you did not receive Form ADV Part II or if you have any questions about the contents of this *BROCHURE SUPPLEMENT*. Additional information about James Anthony Powers is available on the SEC's website at www.adviserinfo.sec.gov (the CRD number for James Anthony Powers is 2832074).

NOTE: While TrustFirst, Inc. may refer to itself as a “registered investment advisor” or “RIA,” Clients should be aware that registration itself does not imply any level or skill or training.

EDUCATIONAL AND BUSINESS EXPERIENCE

Education

University of the Cumberlands, Bachelor of Science Degree

Business Background

TrustFirst Inc., registered representative and investment advisor representative, 2010-present

James A. Powers Registered Investment Advisor, 2003 - 2012

Securities Service Network, registered representative, 2001-2010

Investment Exams: S7 General Securities Exam, S63 State, and S65 Uniform Investment Advisor State Law Examination

DISCIPLINARY INFORMATION

James Anthony Powers has no current or past disciplinary actions. Prospective clients can view the CRD records (registration records) for James Anthony Powers through FINRA's BrokerCheck database online at www.finra.org/brokercheck. The CRD number for James Anthony Powers is 2832074. For any pending regulatory actions, see sites listed above.

OTHER BUSINESS ACTIVITIES

In addition to being a registered investment adviser representative (hereafter “RIA Rep”) of TrustFirst, Inc., James Anthony Powers is licensed as an independent insurance agent in Tennessee. James Anthony Powers, as an IA Rep of TrustFirst Inc., may make recommendations on insurance products and may also, as an independent insurance agent, sell those recommended insurance products to advisory clients. When such recommendations or sales are made, a conflict of interest exists as James Anthony Powers may earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. TrustFirst, Inc. requires that James Anthony Powers disclose this conflict of interest when such recommendations are made.

ADDITIONAL COMPENSATION

Aside from the sales commissions paid by insurance companies to James Anthony Powers (see the “OTHER BUSINESS ACTIVITIES” section above), James Anthony Powers does not receive any additional compensation from non-clients for providing advisory services. All advisory compensation is paid by clients directly.

SUPERVISION

James Anthony Powers is supervised by Donald O. Taylor, Principal of TrustFirst, Inc.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

TrustFirst, Inc. would be required to disclose additional information for James Anthony Powers if he had ever been the subject of a bankruptcy petition or ever been found liable in either: (a) an arbitration; or (b) a civil, self-regulatory organization or administrative proceeding. As none of these apply to James Anthony Powers, TrustFirst, Inc. has no information to disclose in this regard.

TrustFirst, Inc. ADV, Part II Brochure Supplement

Donald O. Taylor

TrustFirst, Inc.
265 Brookview Centre Way, Suite 504
Knoxville, TN 37919
CRD# 725947
Registered with this firm since: 7/15/2010

PURPOSE OF THE BROCHURE SUPPLEMENT:

This *BROCHURE SUPPLEMENT* provides information about Donald O. Taylor that supplements the TrustFirst, Inc. Form ADV Part II. You should have received a copy of the Form ADV Part II with your Investment Advisory Agreement. Please contact Donald O. Taylor if you did not receive Form ADV Part II or if you have any questions about the contents of this *BROCHURE SUPPLEMENT*. Additional information about Donald O. Taylor is available on the SEC's website at www.adviserinfo.sec.gov (the CRD number for Donald O. Taylor is 725947).

NOTE: While TrustFirst, Inc. may refer to itself as a “registered investment advisor” or “RIA,” Clients should be aware that registration itself does not imply any level or skill or training.

EDUCATIONAL AND BUSINESS EXPERIENCE

Education

Middle Tennessee State University, BS, 1980 Graduate

Business Background

TrustFirst Inc., registered representative, investment advisor representative

TrustFirst, Inc., owner and principal 1995-present

Trendz Advisors Inc., owner and President, 2007-present

PaineWebber 1991-1995, Investment Representative

First Tennessee Bond Division 1987-1991, Investment Representative

Investment Exams: S4 Options Principal, S6 Investment Company and Variable Contracts

Products Representative, S7 General Securities Exam, S24 General Securities Registered

Principal, S27 Financial Operations Principal, S53 Municipal Securities Principal, S63 State, S65

Uniform Investment Adviser State Law Examination

DISCIPLINARY INFORMATION

Donald O. Taylor has one (1) disciplinary event. Taylor was fined \$5,000 for violations regarding net capital reporting in 2011 for TrustFirst Inc. and escrow violations relating to a private placement in 2011. Prospective clients can view the CRD records (registration records) for Donald O. Taylor through the SEC's Investment Adviser Public Disclosure (IAPD) website at www.adviserinfo.sec.gov or FINRA's BrokerCheck database online at www.finra.org/brokercheck. The CRD number for Donald O. Taylor is 725947. For any pending regulatory actions, see sites listed above.

OTHER BUSINESS ACTIVITIES

In addition to being a registered investment adviser representative (hereafter "RIA Rep") of TrustFirst, Inc. and Trendz Advisors, Inc., Donald O. Taylor is licensed as an independent insurance agent in Tennessee. Donald O. Taylor, as an IA Rep of TrustFirst Inc., may make recommendations on insurance products and may also, as an independent insurance agent, sell those recommended insurance products to advisory clients. When such recommendations or sales are made, a conflict of interest exists as Donald O. Taylor may earn insurance commissions for the sale of those products, which may create an incentive to recommend such products. TrustFirst, Inc. requires that Donald O. Taylor disclose this conflict of interest when such recommendations are made.

Donald O. Taylor serves as manager of DG Properties I, LLC, DG Income Properties II, Tooles Bend Partners, LLC, NCDG Properties, LLC, Parsons Income Properties, LLC and Tansi DG Investors, LLC. These LLC partnerships have been formed to purchase income producing properties. He may sell these products to advisory clients. When such recommendations or sales are made, a conflict of interest exists as Donald O. Taylor may earn commissions for the sale of those products, which may create an incentive to recommend such products. TrustFirst, Inc. requires that Donald O. Taylor disclose this conflict of interest when such recommendations are made.

ADDITIONAL COMPENSATION

Aside from the sales commissions paid by insurance companies to Donald O. Taylor (see the "OTHER BUSINESS ACTIVITIES" section above), Donald O. Taylor does not receive any additional compensation from non-clients for providing advisory services. All advisory compensation is paid by clients directly.

SUPERVISION

As principal of TrustFirst, Inc., Donald O. Taylor is primarily responsible for supervision of all its RIA Reps.

REQUIREMENTS FOR STATE-REGISTERED ADVISERS

TrustFirst, Inc. would be required to disclose additional information for Donald O. Taylor if he had ever been the subject of a bankruptcy petition or ever been found liable in either: (a) an arbitration; or (b) a civil, self-regulatory organization or administrative proceeding. As none of these apply to Donald O. Taylor, TrustFirst, Inc. has no information to disclose in this regard.