



DANIEL ADVISORS

Dated January 29, 2016

The Daniel Financial Group, LLC

**3700 Crestwood Parkway
Suite LL20
Duluth, Georgia 30096
678.672.1490
gsloan@danieladvisors.com
www.danieladvisors.com**

The Daniel Financial Group, LLC primarily does business under the d/b/a “Daniel Advisors”. Daniel Advisors is not a separate legal entity. We will refer to The Daniel Financial Group, LLC as “DFG” throughout this brochure.

This brochure provides information about the qualifications and business practices of DFG. If you have any questions about the contents, please contact DFG at 678.672.1490 or gsloan@danieladvisors.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 DFG is available on the SEC website: www.adviserinfo.sec.gov. You may search this site by using a unique identifying number, known as a CRD number. Our firm's CRD number is 143592.

Material Changes since the last Update on March 31, 2015

Ownership Changes – On January 1, 2016, Thomas H. Ferguson became a minority owner (10% or less) of the company. On the same date, Katherine C. Sloan became a minority owner (10% or less) of the company.

Chief Investment Officer – On January 1, 2016, Mr. Ferguson was named Chief Investment Officer, replacing Gregory S. Sloan. Mr. Ferguson's experience and qualifications can be found in Item 19 of this brochure.

Director of Client Service – Ms. Sloan will continue to serve as Director of Client Service and Office Manager. Ms. Sloan is not licensed or registered to provide investment advice and does not provide any investment recommendations or advice. She does facilitate account set up, transfers, billing, and other administrative functions for DFG's investment clients.

Succession Plan – Gregory S. Sloan remains the majority owner of The Daniel Financial Group, LLC. In compliance with the NASAA Model Rule 203(a)-1A, Mr. Sloan has created a succession plan including Mr. Ferguson and Ms. Sloan to protect clients in the event of his unexpected death or disability. A summary of this plan is available to clients upon request.

Doing Business As Companies (dba) – As of January 1, 2016, The Daniel Financial Group has formed relationships with separate investment advisor representatives and their dba companies. The owners of these companies are considered investment advisor representatives (“IARs”) of DFG. An IAR is not a separately registered investment advisory firm. An IAR is an individual that provides advisory services to clients under the supervision of a registered investment advisory firm, such as The Daniel Financial Group.

Ownership Changes of Daniel CFO – Gregory Sloan and William Collins founded Daniel CFO in January 2013. Daniel CFO has served DFG clients with tax planning, income tax preparation and business consulting needs. As of January 1, 2016, Mr. Sloan has transferred his ownership interest in Daniel CFO to William Collins and divested himself completely of ownership in this company. Daniel CFO will continue to serve DFG clients through a vendor agreement.

Table of contents

Item 4	Advisory business	4
Item 5	Fees and compensation	5
Item 6	Performance-based fees and side-by-side management	7
Item 7	Types of clients	7
Item 8	Methods of analysis, investment strategies and risk of loss	7
Item 9	Disciplinary information	9
Item 10	Other financial industry activities and affiliations	9
Item 11	Code of ethics, participation or interest in client transactions and personal trading	10
Item 12	Brokerage practices	11
Item 13	Review of accounts	12
Item 14	Client referrals and other compensation	13
Item 15	Custody	13
Item 16	Investment discretion	13
Item 17	Voting client securities	13
Item 18	Financial information	14
Item 19	Personnel providing investment advice	14

Item 4

Advisory business

The Daniel Financial Group, LLC (DFG), founded in 2007, is a state-registered investment adviser headquartered in Duluth, Georgia. The Principal of DFG is Gregory S. Sloan, CRD number is 2657584. Mr. Sloan is the majority owner of DFG and serves as Chief Executive Officer and Chief Compliance Officer.

DFG is domiciled and registered in the state of GA. Additionally, DFG serves clients in several surrounding states and registers with those states, where appropriate under state law. We currently serve clients in NC, TN, FL, MA, MN, IL, CA, and DC. As of 12/31/2015, we were actively managing \$53,546,000 of clients' assets on a discretionary basis and \$7,543,000 on a non-discretionary basis for a total of \$61,089,000.

Financial Planning

DFG prepares and provides clients with written financial documents designed to help them achieve their financial goals and investment objectives in accordance with their financial and risk objectives. The preparation of such documents necessitate that the client provides personal data such as family records, budgeting, personal liability, estate information and additional financial goals. The overall financial planning process may include any or all of the following as appropriate or as requested and/or directed by the client: asset protection, tax planning, business succession, strategies for exercising employer issued stock options, cash flow, education planning, estate planning and wealth transfer, charitable gifting, long-term care and disability planning, retirement planning, insurance planning, asset allocation comparisons, and risk management. The financial planning process may include, as applicable, development of income, cash flow and net worth statements, estate analysis, income tax planning and projections, asset allocation review, risk management analysis, and the preparation of a formal financial plan.

Portfolio Management

DFG makes careful assessment of clients' individual circumstances, which means thoroughly knowing our client's financial situation, life aspirations, core values and risk appetite. These client considerations are captured in a client's Investment Policy Statement (IPS).

The IPS is the understanding between the advisor and the client that serves as a guide for the management of their investment portfolio. The IPS is one component of the financial planning relationship. The IPS will address Investor's constraints, such as time horizon, risk tolerance, income & liquidity needs, tax

considerations and any other unique circumstances. The primary output of the IPS is a mutually agreed-upon target risk allocation that aligns the portfolio(s) to best accomplish investor's goals given his or her constraints.

Our investment recommendations are not limited to any specific product or service and will generally include advice regarding the following securities:

- Exchange-listed securities [individual stocks]
- Exchange-traded funds & Mutual fund shares
- Foreign issued securities
- Corporate debt securities [other than commercial paper]
- Municipal bonds & United States governmental securities

DFG does not manage or sponsor a wrap fee program.

Item 5

Fees and compensation

Financial Planning fees

DFG calculates a financial planning retainer fee based on the nature of the services and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a written agreement.

The financial planning retainer fee generally ranges from \$4,000 to \$14,000 annually and may be offset by fees charged for portfolio management services. Hourly financial planning or investment consulting fees range from \$175 – \$300 depending on the complexity of the client situation.

Portfolio Management fees

The annualized fee for investment advisory services is charged as a percentage of assets under management. DFG determines the fee quarterly, according to the following schedule:

Assets under management	Annual fee
First \$3,000,000	1.00% per year
Next \$2,000,000	.80% per year
Over \$5,000,000	.60% per year

DFG reserves the right to charge an additional 0.25% annual fee, for any client accounts that are held with a custodian that DFG does not have any relationship. Currently, DFG maintains relationship with Fidelity Investments and T.D. Ameritrade. The minimum annual investment advisory fee is \$4,000, subject to

the caveats of grandfathering requirements listed below. DFG reserves the right to waive this minimum annual fee under specific and unusual client circumstances.

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason, upon receipt of 30 days written notice. Upon termination of any account, any prepaid, unearned fees will be calculated and refunded at the end of the quarter of termination. The amount to be refunded will be the fee actually paid less the portion of that fee earned to the date of termination. Any work performed after the termination date will be calculated on an hourly basis and either deducted from the refund or invoiced directly to the client.

Mutual Funds, Exchange Traded Funds and Unit Investment Trusts: All fees paid to DFG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, ETF's and UITs. These fees and expenses are described in each fund's prospectus and will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or exchange traded fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which investments are most appropriate to each client's financial situation and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker-dealer with which an independent investment manager effects transactions for the client's account(s).

Grandfathering of Minimum Account and Retainer Fee Requirements: Advisory clients are subject to DFG's minimum account requirements and advisory fees in effect at the time of engagement. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: DFG is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation.

Advisory Fees in General: Clients should note that similar advisory services may be available from other registered investment advisers for similar or lower fees. Advisory fees are billed quarterly, in advance.

Item 6

Performance-based fees and side-by-side management

Daniel Advisors does not charge performance-based fees nor does it receive any fees from any parties except our clients.

Item 7

Types of clients

DFG provides investment advisory services to the following types of clients:

- Individuals
- High-net-worth individuals

We have a minimum account requirement of \$250,000 per investment advisory client relationship, but reserve the right waive and/or to grandfather pre-existing advisory relationships that are below this minimum.

Item 8

Methods of analysis, investment strategies and risk of loss

Methods of analysis

DFG constructs portfolios in a manner consistent with Modern Portfolio Theory (MPT). MPT assumes investors seek to maximize returns for a given level of risk. MPT asserts that portfolios with assets having low correlation to each other will be better diversified than portfolios with assets having higher correlation to each other. DFG uses historical correlation data of index returns to construct portfolios to achieve the best portfolio diversification given individual client characteristics as outlined in the IPS.

DFG uses a “core” and “satellite” methodology in its portfolio construction process. Core investments are generally those that should be part of every client portfolio in varying degrees, whereas satellite investments will be made on a more targeted basis given client suitability. Another distinction between core and satellite is time horizon: core investments are strategic (DFG’s time horizon of 3+ years), whereas satellite investments are opportunistic (DFG’s expected time horizon of less than 3 years).

DFG categorizes assets according to types of investment categories called “risk buckets,” asset classes, and asset segments as discussed below.

Risk Buckets

There are two main “risk buckets” as categorized by DFG. The first risk bucket consists of asset classes that have predominantly defensive attributes, while the second risk bucket consists of asset classes that have predominantly growth attributes.

Asset Classes

Within the defensive risk bucket, there are two primary asset classes: cash and ultrashort fixed income, and high quality fixed income.

- Cash and Ultrashort Fixed Income consists of segments that primarily provide liquidity with very little expected volatility. These include funds consisting of money market instruments such as T-bills and high quality commercial paper.
- High Quality Fixed income consists of core segments that are expected returns primarily from interest income and that also have defensive characteristics such as liquidity and modest volatility. These include funds, ETFs, and individually-managed portfolios consisting of high quality corporate and municipal bonds of short to intermediate-term duration (i.e. 1-7 years). In addition, the fixed income segment may include satellite allocations to longer term (i.e. 7+ years) bonds, bonds of foreign corporations and governments, and bonds with quality ratings that are below investment grade (i.e. “high yield”).

Within the growth risk bucket, there are also two primary asset classes: global equities and alternative investments.

- Global Equities consist of core segments that have expected returns characterized primarily as capital appreciation or growth of principal. These segments include equity investments in large and medium sized companies located in the US and other developed countries. In addition, the global equity segment may include satellite allocations to equity investments in companies that are small in size and/or are located in emerging or developing markets. In addition, satellite investments may be made in targeted sectors or industries.
- Alternative Investments consist of investment strategies that seek to provide returns that have hybrid characteristics of risk and return compared to cash, fixed income and global equities. Alternative investments include multi-strategy and equity long/short hedging, commodities, and private placement investments.

Asset Segments

Asset segments are specific strategies that DFG uses within each asset class. Specific mutual funds, exchange traded funds (ETFs), or DFG's Core Equity Portfolio are examples of asset segments. The Core Equity Portfolio is an internally-managed segment predominantly within the US large cap equity asset class. Below is a summary of DFG's Core Equity investment process.

Methods of Core Equity Analysis

DFG uses quantitative, qualitative, and valuation techniques to analyze potential investments for our clients.

- Quantitative techniques seek to limit the potential investment pool by screening out investments based on fundamental attributes.
- Qualitative analysis helps further reduce the set of investment choices to the ones that have the most desirable blend of quality, soundness, and return potential.
- Finally, we judge the remaining potential investments in terms of their price (including expenses and other costs) in order to determine if the price is reasonable.
- DFG uses quantitative, qualitative and valuation analysis in its screening process on a monthly basis.

Item 9

Disciplinary information

Neither DFG nor any of its investment adviser representatives have any disciplinary events or filings to disclose.

Item 10

Other financial industry activities and affiliations

The Daniel Financial Group, LLC has IAR relationships with the following d/b/a firms and their owners:

- Stewardship Capital; Thomas H. Ferguson – CRD #4972001
- Ruth Financial; Elizabeth N. Parris – CRD #2648835

The Daniel Financial Group, LLC has a strategic relationship with Daniel CFO, a tax and consulting firm. DFG has retained Daniel CFO to prepare tax returns and provide tax planning services to certain clients where their client agreement with DFG covers such services. Additionally, Daniel CFO may provide additional services to DFG clients not covered under any DFG client agreement. These services will be invoiced separately by Daniel CFO. DFG does not receive any compensation for these additional services.

Gregory S. Sloan, who is the majority owner of DFG, also owns Daniel Consulting, a consulting firm created to serve business clients with strategic planning and other related business advice other than personal financial planning or investment advisory services.

Item 11

Code of ethics, participation or interest in client transactions

The Code of Ethics adopted by DFG demands high ethical standards of business conduct by our employees and IARs as well as careful compliance with applicable federal securities laws. We believe we have a duty to our clients to be loyal, fair, and act in good faith. We accept the obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that form its foundation. Our Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. Due to the nature of our client's positions as executives of publically-traded companies, we believe that it is possible we could have access to non-public information. As such, all employees are reminded that such information may not be used in a personal or professional capacity. A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to gsloan@danieladvisors.com, or by calling 678-672-1490.

Our Code of Ethics is designed to assure that the personal securities transactions, and activities and interests of our employees will not interfere with (1) making decisions in the best interest of advisory clients and (2) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security which may also be recommended to a client.

No principal, employee or representative of our firm may put his or her own interest above the interest of an advisory client. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.

Any individual who violates any of the above restrictions may be subject to termination.

Item 12

Brokerage practices

DFG recommends that all clients establish brokerage accounts with Fidelity Investments or T.D. Ameritrade, both FINRA registered broker-dealers, and SIPC members, to maintain custody of the client's assets and to effect trades for their accounts. Although we recommend these two custodians for operational efficiencies, it is the client's decision to choose their custodian. If a client chooses to custody their assets with another custodian or broker-dealer, the client is subject to additional fees from DFG. DFG is independently owned and operated and not affiliated with Fidelity Investments or T.D. Ameritrade.

Both Fidelity and T.D. Ameritrade provide DFG with access to their institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisers on an unsolicited basis, at no charge to them. These services are not contingent upon our firm committing to either custodian any specific amount of business (such as assets in custody or trading commissions.) Some of the services provided by these custodians are beneficial to both the client and DFG in managing and administering a client's account. Examples of these services include:

- trade executions
- trade confirmations and account statements
- custody
- research, pricing and other market data
- access to certain mutual funds and other investments normally only available to institutional investors
- facilitation of the payment of retainer and advisory fees from a client's account

Both Fidelity and T.D. Ameritrade make available to our firm other products and services intended to assist us in managing and developing our business enterprise. These products and services may not directly benefit any specific client accounts, but generally may be used to service all or a substantial number of our client accounts. These services may include:

- compliance, legal and business consulting
- publications and conferences on practice management and business succession

- access to employee benefits providers, human capital consultants and insurance providers
- educational events

In evaluating whether to recommend clients custody their assets at either custodian, we may take into account the availability of some of the previously listed products and services and other arrangements as part of the total mix of factors we consider. This could create a conflict of interest. We believe the receipt of additional services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.

Item 13

Review of accounts

Portfolio Management services

Reviews: These are performed quarterly and on an as-needed basis in response to client requests. Accounts are reviewed quarterly, at a minimum, by Gregory S. Sloan or Thomas H. Ferguson. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, and political, economic, or market environments.

Reports: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, DFG will provide portfolio performance reports summarizing account portfolio performance, asset allocation and portfolio balances. The frequency of these reports will be determined by the agreed upon service level and size of client's portfolio.

Financial Planning services

Reviews: While reviews may occur at different stages depending on the nature and particulars of each client, we typically review in detail and update each client's financial planning situation on an annual basis.

Reports: DFG will typically create a comprehensive financial plan for each client in their first year of service. The content of each client's financial plan will vary according to the individual client's needs. Subsequent updates to the plan will be reported to the client in various formats and methods, as dictated by each client's individual circumstances.

Item 14

Client referrals and other compensation

DFG does not engage solicitors or pay related or non-related persons for referring potential clients to our firm.

Item 15

Custody

DFG previously disclosed in the "Fees and Compensation" section (Item 5) of this brochure that our firm directly debits advisory fees from client accounts. As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from the client's account. On at least a quarterly basis, but typically monthly, the custodian is required to send the client a statement showing all transactions within the account during the reporting period. Because the custodian does not calculate the amount of the fee to be deducted, DFG recommends clients carefully review their custodial statements to verify the accuracy of the fee calculation and any other transactions. Clients should contact us directly if they believe there may be an error in their statement.

Item 16

Investment discretion

With a few exceptions, DFG clients are required to provide discretionary asset management authorization allowing us to place trades in a client's account without contacting the client prior to each trade to obtain permission. Our discretionary authority includes the ability, without contacting the client, to determine the security to buy or sell; and determine the amount of the security to buy or sell. This discretion is limited to the guidelines set forth in each client's investment policy guidelines which are signed by the client and DFG.

Item 17

Voting client securities

As a matter of firm policy, we do not vote proxies on behalf of clients. Therefore, although our firm may provide investment advisory services relative to client investment assets, clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events

pertaining to the client's investment assets. Clients are responsible for instructing the custodians of their investment accounts, to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets.

Item 18

Financial information

DFG collects financial planning and investment advisory fees quarterly. We do not require payment of fees more than six months in advance of services rendered. Therefore, we are not required to include a financial statement with this brochure.

DFG has not been the subject of a bankruptcy petition at any time. We have no additional financial condition to report that may cause a reasonable likelihood to impair our ability to meet our contractual obligations.

Item 19

Personnel providing investment advice

Gregory S. Sloan, CFP® received a Bachelor of Arts Degree in Finance, from Georgia State University in 1997 and a Masters of Business Administration from Georgia State University in 2002. He founded The Daniel Financial Group, LLC in 2007 and currently serves as Chief Executive Officer and Chief Compliance Officer.

Thomas H. Ferguson received a Bachelor of Business Administration Degree in Finance, from University of Georgia in 1984 and a Masters of Business Administration from Georgia State University in 1993. He joined The Daniel Financial Group, LLC in September 2015 and currently serves as Chief Investment Officer. Mr. Ferguson is the founder of Stewardship Capital, a separate legal entity that provides investment advisory services to its clients as an IAR of DFG.

Elizabeth (Libby) N. Parris received a Bachelor of Arts Degree in Economics and English, from Vanderbilt University in 1995. She joined The Daniel Financial Group, LLC in 2013 and currently serves as a Wealth Advisor. Ms. Parris is the founder of Ruth Financial, a separate legal entity that provides investment advisory services to its clients as an IAR of DFG.