EQUITY LOGIC

Part 2 of Form ADV: Firm Brochure

Firm Brochure

Equity Logic, LLC

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This brochure provides information about the qualifications and business practices of Equity Logic. If you have any questions about the contents of this brochure, please contact us at 415.999.9033 and/or email tomkee@equitylogic.net. 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 Equity Logic also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration does not imply a certain level of skill or training.

Table of Contents

Advisory Business

Equity Logic is a Delaware Limited Liability Company. It is an Investment Advisory firm founded in October, 2010 with an office in Encinitas; CA. Thomas H. Kee Jr. is the principal owner and Managing Director.

Equity Logic provides managed account services and supervises those, but not supervisory services. Equity Logic specializes in managing proactively traded portfolios of US-based equities and ETFs and may incorporate sub advisors and traders who may also from time to time engage in hedging strategies using options or futures but Equity Logic does not itself use those instruments. Market timing plays a critical role in some strategies, but not all. Equity Logic invests in US equities and ETFs, but it does not invest in bonds, preferred stock, or other asset classes unless those are part of equity-based investments such as ETFs which are traded on US exchanges, but sub advisors may do so from time to time. Instead, Equity Logic focuses on equity-based investments which are traded on established US stock exchanges. That may mean individual stocks, single weighted ETFs, double weighted ETFs, ETFs which have an embedded short bias, and ETFs which have an embedded long bias. That may also mean ETFs that engage in non equity or foreign equity transactions, but those ETFs must trade on US Exchanges themselves to qualify for investment consideration in Equity Logic Managed accounts.

Equity Logic does not tailor its investment strategy to the client except in unique circumstances. Strategy allocations may be different between clients based on their choices, but the defined strategies used by Equity Logic LLC are not designed for any specific client. If a client is attracted to one of the strategies and it is deemed suitable for that client then allocations to that strategy can be considered. Clients may not impose restrictions upon Equity Logic outside the boundaries of the managerial agreement and brochure unless tailored strategies are created, which would require separate mutual consent. If prohibitions restrict accounts from taking advantage of the strategies offered by Equity Logic, Equity Logic may not serve that client within the scope of the Strategies offered by Equity Logic, but may develop a unique strategy for that client after mutual consent has been received.

As of August 3, 2016 Equity Logic had approximately $9.5 million under management of which all is considered discretionary. No assets are being managed on a non-discretionary basis. There are no conflicts of interest to report which could be reasonably expected to impair the rendering of objective and unbiased investment advice.

Fees and Compensation

The compensation of the Manager for its services under this Agreement shall be calculated and paid in accordance with the following Fee Schedule example, as the same may be amended from time to time by mutual written or electronic agreement between the Client and the Manager. The Client will provide written or electronic authorization to the Custodian to pay the fees of the Manager directly from the Investment Account upon a predefined schedule authorized by the client.

This simple fee schedule example is annualized, and requires approval and acceptance by both the Client and Manager. Participation Fees have high water marks.

Equity Logic charges different fees for different strategies. As of February 2017 Equity Logic was offering five different strategies: The Sentiment Table Strategy, LETS, Core Portfolio Strategy, Defined Risk Strategy and personalized strategies which may include options strategies for unique clients.

Participation fees are only applicable to Qualified Clients as defined by the SEC. Definition

Fees for the Sentiment Table Strategy:

- 2% of AUM + 20% Participation Fee
- $0 - $2MM = no breakpoint
- $2MM - $5MM = 1.5% + 20% Participation Fee
- $5MM - $10MM = 1% + 20% Participation Fee

Fees for the LETS Strategy:

- 2% of AUM + 20% Participation Fee
- $0 - $2MM = no breakpoint
- $2MM - $5MM = 1.5% + 20% Participation Fee
- $5MM - $10MM = 1% + 20% Participation Fee

Fees for the Core Portfolio Strategy:

- 1% + 20% Participation Fee

Fees for Personalized accounts:

- Personalized accounts may have differing fee structures.
- Those are largely determined by the requirements of the client.

Fees for the Defined Risk Strategy (third party advisor):

- For accounts greater than $5MM the fee will be 0.85%
- Equity Logic will charge 1% of AUM for this strategy if less than $5MM.
- Additional Managerial fees may apply depending on the account structure.

Clients may incur other fees, including commissions, but Equity Logic has no interest in and receives no consideration for those fees. Further, Equity Logic does not require pre-paid managerial fees and does not accept pre-paid management fees. Lower fees for comparable services may be available from other sources. Equity Logic does not participate in “wrap-fee” programs.

Types of Clients

Equity Logic typically provides managed account services to all level of investor so long as Equity Logic deems them suitable, they have the same objective and risk tolerance as Equity Logic strategies, and meet the $500,000 minimum initial investment requirement, unless the client comes to Equity Logic through a third party advisor. In that case the minimum initial investment is reduced to $35K.

Methods of Analysis, Investment Strategies and Risk of Loss

The Investment Rate:

The Investment Rate is one of the proprietary research instruments used by Equity Logic to determine the prospects for growth in the economy and the direction of the Stock Market. The Investment Rate was developed by Thomas H. Kee Jr., Managing Director of Equity Logic, as a leading stock market and economic indicator. The Investment Rate serves as the foundation for all investment strategies and is considered before every investment decision.

According to The Investment Rate, the economy and housing, the stock market, and bonds, has been supported by stimulus and had it not been for trillions of infused dollars the economy would be much weaker, asset classes like the stock market, bonds, and housing would be much lower, but the ECB is still printing money (2.11.17). When they stop the risk of demand reverting to the natural normalized demographically derived demand levels as that are identified by The Investment Rate is high, and that presents the risk of a material correction and repricing. Accordingly, the risk of severe market decline is real, so the strategies used by Equity Logic in the current environment continue to be ones designed to be appropriate for said conditions.

Strategies:

One or a combination of strategies may be recommended from time to time based on our determination of current and future market conditions and from time to time Equity Logic may refuse to engage in some of the strategies even if requested by the client based on its own assessment of market conditions. Initial strategy allocations are expected to be determined at the onset of the managed account agreement, but may change based on mutual agreement between the client and Equity Logic.

The Strategies listed herein are uniquely defined by Equity Logic and decisions to buy and sell are based on a number of uniquely created variables including technical analysis. The conclusions reached by Equity Logic may or may not be the same as those reached by any media, advisor, wealth manager, broker, newsletter, or other entity that may offer conclusions that may seem similar to those driving the decisions of Equity Logic.

The Strategies we offer:

- Sentiment Table Strategy
- LETS (Leveraged ETF Strategy)
- Core Portfolio Strategy
- DRS (Defined Risk Strategy)
- Personalized strategies: For special-situation clients only and not pre-defined.

The Sentiment Table Strategy

- Designed by Thomas H. Kee Jr.
- Managed by Thomas Kee

OBJECTIVE OF THE DISCIPLINE

Short term gains with long periods of net cash positions.

DESCRIPTION OF THE STRATEGY

This strategy looks for overbought or oversold conditions to surface before trades are entered, and when the trades initiated they are contrarian trades, in the opposite direction of the overbought or oversold indicator, undertaken with the understanding that probabilities favor short term market moves in the opposite direction after overbought or oversold indicators surface.

RULES ASSOCIATED WITH THE STRATEGY

1. Wait for an overbought or oversold indicator to surface.
2. If no indicator exists remain in cash
3. When an indicator comes initiate a trade in the opposite direction.
4. If an oversold indicator comes, buy QLD
5. If an overbought indicator comes, buy QID
6. Close the trade if oversold turns to overbought
7. Close the trade if overbought turns to oversold
8. Close the trade if technical indicators suggest we should
9. Do not hold the trade for longer than 14 calendar days.

RISK CONTROLS AND ASSESSMENTS

The strategy ONLY initiates a trade AFTER the market has moved aggressively. This mitigates the risk.

In addition we only will hold positions for 2 weeks, 14 calendar days, and no more. This keeps the strategy from holding onto a position for extended durations. There is one exception, and that is when a re-iteration alert comes within a few days of the original overbought or oversold indicator, and if that happened the two week hold duration would start from the re-iterated date.

LETS (Leveraged ETF Trading Strategy)

This strategy is designed to take advantage of the volatility in the market. We will integrate cost basis improvement techniques and the use of long and short ETFs such as QID and QLD, which are themselves leveraged, but we will not use margin to leverage our accounts. The basis for trading will be technical, using near term and midterm charts primarily, with the objective of securing short term gains. Wash Sales are expected from this strategy until such time as the strategy is adjusted. We also expect high degrees of associated volatility from this strategy.

The Core Portfolio Strategy

This strategy is designed with a low-volatility objective and we believe it is an exceptional compliment to our more aggressive LETS and Sentiment Table Strategies. It is a slow but steady objective that has simplified the goal of risk control. This strategy is often neutralized from market risk, and with limited exposure risk measures and volatility levels decline accordingly. The strategy looks for better than market results with lower levels of volatility.

This is not an actively traded strategy, and it can be designed for tax-conscious investors.

We believe that the CORE Portfolio Strategy is an integral part of the portfolios of virtually all of the clients of Equity Logic, but also uniquely appropriate for larger investors with investment mandates that limit risk exposure. Pension Plans, Endowments, and SWFs, for example, can benefit from the objectives of the CORE Portfolio Strategy given their typical mandates.

Defined Risk Strategy (DRS)

The Track record Dates back to 1997. The DRS involves one primary investment strategy for managing investment accounts and is managed by Randy Swan. Although The DRS employs certain risk mitigation techniques which are designed to limit losses, investing in securities involves risk of loss that all clients should be prepared to bear. Swan manages client accounts with the goal of protecting wealth and accumulating gains. Utilizing statistical probability, Swan's investment management philosophy is based upon absolute risk management and reduction using multiple layers of hedging techniques across multiple time horizons with the goal of maximizing gains and minimizing losses.

The DRS has two components; Basket I and Basket II. Basket I consists of an S&P 500 exchange traded fund and a put option to minimize risk. The option portion of Basket I is specifically designed to limit a portfolio's exposure to falling markets. The option component is an investment similar to an insurance policy on your house (i.e. equity). The deductible for this policy is specifically chosen by Swan to limit (not eliminate) losses and/or secure profits. Basket II consists of covered spread option income trades executed in each account and then monitored daily for optimization adjustments. The monthly frequency of Basket II trades helps to smooth out overall DRS returns in that it generates income over various market conditions. At the same time these trades are executed, all adjustments points and liquidations for these positions are prepared in advance. This trading policy is similar in effect to circuit breakers in your home's electrical panel in that it protects profits and minimizes losses. The DRS is designed to eliminate most, but not all of the downside of the stock market. DRS Baskets work together to limit risk. In most cases, when one component is losing value, at least one of the other components is gaining value.

Grouping

Equity Logic will operate strategies in the same manner for every account with the exception of strategies uniquely tailored for a unique client. The strategies we offer are designed to take advantage of relative market extremes (durationally dependent on the strategy) in a proactive manner. Some are designed to trade actively at times, especially when those trades occur around relative market extremes. Sometimes intraday trades are required and sometimes these accounts will end in cash. By limiting the entry points to relative market extremes, depending on the strategy being used, Equity Logic attempts to strategically position client's assets on either the long or the short side of the market in order to grow those accounts in a meaningful manner every year, regardless of economic conditions, and regardless of market direction.

For example, each account can be divided into core segments, segments can represent a position, and those positions together can make up a concentrated portfolio designed to take advantage of the market direction anticipated by Equity Logic. Traditional investment philosophy suggests that concentrated portfolios have a higher degree of risk than diversified portfolios, and that means added volatility, but Equity Logic believes that the restriction on entry levels for these positions implemented by Equity Logic and explained in this brochure will enable it to successfully manage risk while still taking advantage of opportunities. Sometimes all assets will be placed into a single ETF which, by definition, is itself well diversified. Every selection will also be restricted to diversified ETFs, although sometimes those may be concentrated in a specific sector.

Investment Decisions:

Thomas H. Kee Jr. manages all of the strategies here or designates a trader to execute trades for that strategy per his guidance except for the Defined Risk Strategy, which is a Strategy managed by Randy Swan and all of the Investment Decisions for that strategy are his and his alone.

In the event unique strategies are developed those may also not be managed by Thomas H. Kee Jr. directly, depending on the direction of the client in defining the objective.

Risk of loss:

Often, Equity Logic will use double weighted ETFs to take advantage of moves in the market. These instruments are more volatile than traditional investments, and that volatility increases the risk profile of these instruments. Although measures will be taken to control risk, there is no guarantee that the market will remain stable, there is no guarantee that the market will not surprise, there is no guarantee that stops will not occur, and if that happens there is a higher probability of loss because double weighted ETFs have twice the exposure than single weighted instruments.

In fact, Equity Logic expects stops to occur in the accounts it manages, and it expects losses from time to time. By definition, proactive trading strategies require stops to be made and transitions to occur when technically important support or resistance levels break.

Disciplinary Information

There has been no disciplinary action taken against Thomas H. Kee Jr. or Equity Logic.

Other Financial Industry Activities and Affiliations

Neither Equity Logic nor Thomas Kee had any financial industry activities or affiliations that would cause a conflict of interest. There is no relationship or managerial arrangement that Thomas Kee or any associated person at Equity Logic has to report with any issuer of securities.

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

Equity Logic does not recommend to clients, or buy or sell for client accounts, securities in which we or a related person has a material financial interest, invests in the same securities, or do we or a related person that recommends securities to clients, or buys or sell securities for client accounts, at or about the same time that we or a related person buys or sells the same securities for his own (or the related person's own) account. This code of ethics creates a completely unbiased and objective environment from which to operate. Any break of this code of ethics will be punishable by Equity Logic. A copy of the Equity Logic LLC Code of Ethics will be provided to the client on request.

Brokerage Practices

Equity Logic does not recommend broker-dealers nor receive compensation from broker-dealers. Equity Logic processes orders on an open exchange, based on the supply and demand of securities at various market makers, ECNs and brokerage firms, and orders may be placed at random. Equity Logic does not direct trades to brokerage firms unless that brokerage, ECN, or market maker happens to have the best liquidity at the time of the trade, and Equity Logic will not accept direction from a client to do so.

If a broker recommends or refers a client to Equity Logic he will do so at his discretion and it will not have a material impact or create a conflict of interest for any of the accounts managed by Equity Logic. Referred clients will be treated like every other client. If a conflict of interest arises, Equity Logic will report that conflict to all managed accounts.

Equity Logic will aggregate client accounts that have the same custodian so as not to create favorable or unfavorable incentives for any other client account. In doing so, the ability to execute trades as efficiently as trades in individual account transactions may be reduced. In addition, if more than one custodian exists, orders for aggregated accounts will be made for accounts at each custodian at reasonably the same time, so as not to create a conflict amongst accounts.

Review of Accounts

Equity Logic, designated employees and/or sub-advisors will review client accounts regularly and maintain a close eye on every position held therein. Because trades will often be aggregated amongst all accounts, a review of all accounts separately is not necessary every time an aggregated trade is made. From there, because the same positions will be held in all accounts so long as those accounts were funded and active at the time of the transaction, a close review of the stocks held in all accounts serves as a constant review of the positions in the accounts themselves.

Equity Logic will provide clients with a quarterly report describing all transactions that were made during that respective quarter. These reports will be made available through e-mail and on Equity Logic. Because trades will be aggregated, the reports will not be specific to each account. The quarterly reports will instead be ascribed to transactions may by Equity Logic, explain the rationale for those transactions, including the risk and opportunity assessments when those transactions were made for each grouped strategy.

Account statements will not be provided by Equity Logic, but Equity Logic assumes that the individual brokers for each client's managed account will provide regular account statements and direct access to such accounts through the Internet which the client can access regularly.

Client Referrals and Other Compensation

Equity Logic does not receive consideration for the account management services it provides from anyone other than its clients. Nor does Equity Logic provide compensation to anyone for referrals who is not already registered. If Equity Logic does pay a registered entity a referral fee, that will not create a material conflict of interest, as the referral fees paid by Equity Logic will not cause client account fees to increase, and the referring party will have no authority, responsibility, or obligation to supervise the accounts referred to Equity Logic.

Equity Logic may negotiate fees for sub-accounts from referring RIAs and Wholesalers to properly compensate those industry professionals. These rates may vary between RIAs and Wholesalers.

Custody

Equity Logic will not have custody of client accounts. Instead, Equity Logic will work with the custodian of client accounts to manage those accounts properly. Fees are calculated and paid through the custodian of each account managed by Equity logic and Equity logic does not take custody of any monies other than the fees it is paid through the custodial transaction, which is a third party operating between Equity Logic and the Client for purposes of avoiding custody issues

Investment Discretion

Equity Logic, designated employees or sub-advisors, maintain discretionary authority over the accounts it manages. Equity Logic will manage securities on behalf of its clients and aside from the limitations stated in this brochure, execute transactions in the good faith of its clients. Equity Logic will at no time have the authority to withdraw from or deposit monies into client accounts. Equity Logic acts as a manager for those accounts only, in accordance with managerial agreements submitted to the custodian of client accounts.

Voting Client Securities

Equity Logic does not vote client securities. The custodian, transfer agent, or broker for client accounts is responsible for providing proxies to the client. Equity Logic will not entertain questions about security specific solicitations.

Financial Information

Equity Logic has not been the subject of any bankruptcy proceeding over the past 10 years, further, Equity Logic does not require payment or prepayment of fees in advance from any client at any time.

Equity Logic has no financial condition which might impair its ability to meet the contractual commitments of its clients. In the event of a major disaster or collapse of the financial system whereas transactions could not be executed and financial markets could not be accessed as a result of, but not limited to, natural disaster, technological collapse, or otherwise, Equity Logic would not be able to meet its contractual duties.

Equity Logic has no conflicts of interest, but if any material conflicts of interest arise Equity Logic would immediately notify its clients and address the conflict so that no conflicts of interest exist.

Other Businesses

Although Equity Logic does not represent any other businesses be it in the financial industry or otherwise, Thomas H. Kee Jr., the President and CEO of Equity Logic, the chairman of both the Economic and Investment Committees, and the Managing Director of the managed accounts who are clients of Equity Logic does operate an investment newsletter focusing on market analysis. Mr. Kee spends two hours per day on average after the close of the stock market in this business. The analysis he conducts for that business and the communications he has through that business are integral elements to his ongoing market analysis and that enhances his ability to oversee Equity Logic managed accounts. Outside responsibilities are not expected to impair Mr. Kee's ability to act as Managing Director nor Equity Logic's ability to follow the strategies and disciplines as outlined by Mr. Kee.

Personal Information (Thomas Kee)

Mr. Kee has been engaged in the business of writing this newsletter, Stock Traders Daily, for more than 14 years. Through that newsletter he is able to gauge investor sentiment, demand, and overall interest by observing the results of computerized marketing systems which have already been developed and are operative in conjunction with Google, Reuters, MarketWatch, and other notable financial websites. These observations, in addition to the ongoing market analysis Mr. Kee conducts, serve as an added benefit and enhances his ability to properly manage accounts at Equity Logic. Because his market analysis will overlap, Mr. Kee does not expect to spend more than two additional hours per day managing Stock Traders Daily. This should be of no material impact to Equity Logic and will not create a conflict of interest because Equity Logic will not be the same as that newsletter. No one affiliated with Equity Logic LLC has been the subject of any arbitration nor has anyone been found liable in a civil proceeding.

Thomas H. Kee Jr. has a Bachelor of Science in both Economic and Business from St. Mary's College of California. He is the author of "Buy-and-Hold is Dead", the founder of The Investment Rate, his work has been featured by major financial media such as Barron's and Reuters, and renowned investors such as Prince Al Waleed of Saudi Arabia have taken interest in his strategies. Mr. Kee was born on September 6, 1970 and resides with his wife in California.

Supervised Persons:

Item 1:

Thomas H. Kee Jr.

Equity Logic, LLC

PO Box 922

La Jolla, CA 92038

866.213.2067

Item 2: Educational Background and Business Experience

Educational Background: Thomas H. Kee Jr. holds two Bachelor's Degrees in Business and Economics from Saint Mary's College of California (1992).

Date of birth: 1970

Business Experience:

Mr. Kee has over 20 years of experience in the financial industry. He is a financial advisor for Equity Logic. His responsibilities include strategy creation and implementation, client communication, economic and market analysis, compliance policy and procedure implementation.

Item 3: Disciplinary Information:

Mr. Kee (the "supervised person") has not been involved with any legal or disciplinary events material to a client's or prospective client's evaluation of the supervised person.

Item 4: Other Business Activities:

(A) Mr. Kee (the "supervised person") is not actively engaged in any investment-related business or occupation, including being registered, or having an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO"), or commodity trading advisor ("CTA"), nor is the supervised person an associated person of an FCM, CPO, or CTA.

(B) Mr. Kee (the "supervised person") is actively engaged in a business or occupation for compensation not discussed in response to Item 4.(A), above, that provides a substantial source of the supervised person's income but does not involve a substantial amount of the supervised person's time. That business is a Newsletter-subscription business called Stock Traders Daily.

Item 5: Additional Compensation:

Mr. Kee (the “supervised person”) does not receive, from any non-Client, any economic benefit associated with advising Clients (such as sales awards and prizes, any bonus that is based on number or amount of sales, client referrals or new accounts, not including salary).

Item 6: Supervision:

Mr. Kee is the principle of Equity Logic and is regulated by the SEC but not supervised by anyone at Equity Logic. Instead, he is a supervisor.

Item 7: Requirements for State-Registered Advisors:

Mr. Kee is registered with NASD and the State of California, and Equity logic is registered in Ontario, Canada.

Of additional note:

Mr. Kee has not been accused of or found liable in any of the below:

1. Mr. Kee has not been found liable in an arbitration claim alleging damages in excess of $2,500, involving any of the following:

(a) an investment or an investment-related business or activity;

(b) fraud, false statement(s), or omissions;

(c) theft, embezzlement, or other wrongful taking of property;

(d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.

2. Mr Kee has not been found liable in a civil, self-regulatory organization, or administrative proceeding involving any of the following:

(a) an investment or an investment-related business or activity;

(b) fraud, false statement(s), or omissions;

(c) theft, embezzlement, or other wrongful taking of property;

(d) bribery, forgery, counterfeiting, or extortion; or

(e) dishonest, unfair, or unethical practices.