

Simon Financial Group, Inc.
Disclosure Brochure

Simon Financial Group, Inc.
One Bala Plaza
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Bala Cynwyd, PA 19004
Local (610) 667-2450
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Simon Financial Group Inc.
Disclosure Brochure

Table of Contents

- Item
- Mission Statement
- Disclosure
- Advisory Services and Fees
- Clients
- Investments
- Analysis, Research Data & Investment Strategies
- Education & Business Standards & Background
- Business Activities
- Financial Industry Activities or Affiliates
- Client Transactions
- Accountant Management, Review & Investment Discretion
- Supplemental Compensation
- Account Custody
- Investment Advisor Service Agreement
- Referral Notice
- Referral Disclosure

To receive a copy of SFG Inc's Form ADV including all schedules, please write to SFG at One Bala Plaza, Suite 630,
Bala Cynwyd, PA 19004 c/o SFG Form ADV-F or call (877) 874-2450 to request a copy.

Mission Statement

Whether the goal is to enhance, preserve or transfer wealth, Simon Financial Group Inc.'s objective is to help clients achieve their goals through conservative, value-based investing. Our investment philosophy is geared toward limiting our client's downside while taking full advantage of appropriate investment opportunities.

At Simon Financial Group Inc. we are committed to serving our clients which includes our partner advisors and their clients. To simply address our client's requirements is not enough. Rather, it is our mission to continually strive to exceed their service and investment expectations.

This brochure and any current supplement brochure contain information from Part II of Form ADV as required by the Securities and Exchange Commission (SEC) and the Pennsylvania Securities Commission, pursuant to the Investment Advisors Act and by certain states. Simon Financial Group, Inc. is the parent company to Simon Capital Management and Simon Insurance Corp.

Information regarding Simon Financial Group, Inc. or any of its subsidiaries have not been approved or verified by any government agency.

Periodically, this brochure and its statements are updated. You will receive a current copy of this brochure as updated by any supplements at the time you sign your service agreement. If clients want a copy of this brochure following the initial delivery they should contact SFG their active advisor.

Information included in this brochure is a part of the agreement that is attached to the brochure.

This brochure is subject to change without notice.

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Advisory Services & Fees

The investment philosophy of Simon Financial Group (hereinafter referred to as SFG) is based on conservative, value-based investment principles. Our focus is to help our clients develop long-term investment strategies that favor solid, properly valued investments with our primary goal of shielding our clients from unnecessary market turbulence by concentrating on solid investments, as opposed to chasing trends or timing the market.

The goal of SFG is to assist clients with the development of financial planning and investment strategies based on their risk tolerance, time horizon, tax bracket, investment experience and their stated objectives. To assist clients in developing these strategies, SFG can, but is not required to use various financial data gathering and investment risk-tolerance questionnaires. These tools will be used on an as needed basis for SFG clients.

The same questionnaires can be used to determine the needs of a client referred to SFG via a solicitor. It will be the sole responsibility of the solicitor to provide this information to SFG. The information required to create and maintain an investment program for a solicitor's client will be an investment risk-tolerance questionnaire and a Client Investment Profile found in SFG's Referral Notice. The investment allocation will be based on the results of these questionnaires. All risk-tolerance questionnaires must be approved in writing by SFG prior to use. It will be the responsibility of the solicitor to inform SFG of any changes to their client's investment motives. Until otherwise informed, investment allocation will remain consistent with their original risk-tolerance information and Client Investment Profile provided to SFG.

SFG provides investment advisory services and manages investment accounts. SFG also provides investment and/or financial planning advice. Financial advice may include a written analysis with specific investment objectives and product recommendations. Any recommendations that can be implemented through SFG will be made available to clients. No client is contractually bound to implement any recommendation through SFG or any of its affiliates.

SFG is also licensed by the Pennsylvania Insurance Commission to sell insurance and to provide advice to clients on related matters.

Financial and investment recommendations will be client specific. Once SFG completes its analysis, a review of their findings will take place with each client prior to any investment implementation. If SFG is referred a client by a solicitor, it will be the solicitor's responsibility to determine these investment details. SFG does not require solicitors to provide any financial opinion about any referred client other than an investor risk tolerance analysis and SFG's Client Investment Profile. These documents will be used by SFG to determine the investment strategy for each of these client. SFG recommends that each solicitor perform a detailed financial discovery on their clients, but does not require them to provide this information to SFG.

It is the responsibility of each client to inform SFG as to the level of financial advice and investment management they are seeking. SFG will outline to each client their fee structure for the services they provide. Client fees for financial planning and investment management can be based on a percent of assets managed, hourly wages or flat fees. SFG does not offer any commission-based investment products or services. All fees are outlined in Schedule F of Form ADV and are negotiable. An official fee schedule can be requested by calling (877) 875-2450 or writing to SFG to request Form ADV-F.

The services provided by SFG can be distinctly categorized as (a) financial planning, (b) financial advice and (c) asset management. The percentage of time devoted by SFG to each practice is listed in this paragraph and is a reasonable approximation based upon the percent of total billing derived from each area. SFG spends approximately ten (10%) percent of its time on investment advisory services and financial planning, seventy (70%) percent of its time managing investment advisory accounts, ten (10%) percent of its time providing investment advice and ten (10%) percent of its time providing advice to clients about matters not involving securities.

Investment fees will be based on a client's average portfolio value from the preceding 3 months. SFG will be compensated exclusively in arrears for investment management. All fees will be paid from the Broker on a quarterly basis to SFG. All solicitor fees will be paid on quarterly basis once SFG has received payment from the Broker. Solicitor compensation will be mailed via US Postal Service First Class Mail within 72 hours of receipt from the Broker.

Solicitor or Client Cancellation:

Either party (SFG or Solicitor) for any reason may terminate the solicitor's agreement upon written notice to the other. To do so, either party must submit a letter to the other indicating that they would like to terminate the solicitor agreement. The letter must be signed and dated, but does not have to have an original signature. Termination notifications can be faxed or mailed but will not be accept via email response. Once written notification has been received the relationship will be terminated and active investment management and all responsibility related to investment management of solicitors clients will cease. Solicitor's clients will still be responsible for payment to SFG for management services up to the date of cancellation. SFG will still be responsible for payment to the solicitor for fees owed up to the date of cancellation.

Clients may terminate their advisory agreement with SFG at any time. To do so, they must provide in writing to SFG a letter rescinding SFG's advisory agreement and any investment authority SFG has. Once written notification has been received the relationship will be

terminated and active investment management and all responsibility related to investment management will cease. Clients will still be responsible for payment to SFG for management services up to the date of cancellation

If for any reason a client wishes to terminate their financial planning relationship with SFG they may do so by providing a written request to SFG within thirty (30) days of receiving their financial analysis. The client will be given a full refund of all financial planning fees. They will be refunded their fee within thirty (30) days of receiving the written request.

Clients

SFG represents individual investors and businesses, but can also represent investment companies and their advisors. SFG also represents pension and profit sharing plans, trusts, estates and charitable organizations. SFG contracts with clients via SFG's advisory agreement and solicitors via SFG's solicitor's agreement. These documents clearly define each party's responsibility in the relationship. These documents outline client rights and responsibilities, advisor rights and responsibilities, solicitor rights and responsibilities, fee structure, solicitor compensation and contract cancellation.

SFG provides investment advice and asset management services to their clients. SFG can also provide financial planning advice and services to their clients. Each client has the option to choose which services best meet their needs. No client is required to use any specific service that SFG provides.

Types of Investments

Equity Securities – The investment manager may invest in any unrestricted, publicly traded stock, mutual fund or exchange traded fund that is listed on any exchange or a national, over-the-counter market that is appropriate for a client.

Fixed Income Securities – The quality rating of bonds and notes must be "A" or better unless lower quality fixed income securities have been deemed appropriate for an investor. Standard & Poor's or Moody's rating scales will determine investment quality. The portfolio may consist of traditional fixed income securities and will not consist of any derivatives. Maturity dates will vary depending on each client's needs.

Cash and Equivalents – The quality rating of commercial paper must be A-1, as rated by Standard & Poor's, P-1, as rated by Moody's, or better unless lower quality fixed income securities have been deemed appropriate for an investor. The assets of any money market or money market mutual funds should comply with this standard and/or the quality provisions for fixed-income securities.

Authorized investments are limited to investments described in Public Act 20 of 1943, as amended, and may consist of: Exchange Traded Funds (ETF), both equity and bond mutual funds, stocks, bonds, real estate, limited partnerships and REITs.

If mutual funds are used, preferences will be given to funds with low expenses and to fund companies who provide no-load (no-commission) mutual funds or who have waived all up-front sales charges. In some cases, mutual funds held less than a specified period of time may charge an early redemption fee. Redemption fees are mutual fund specific and vary. To determine if there is a redemption fee and its duration, each investor should refer to the mutual fund's prospectus where redemption fee information is outlined. For any specific questions, please contact SFG at 877-874-2450 or the specific mutual fund in question.

Analysis, Research Data & Investment Strategies

It is Simon Financial Group's policy to invest in a manner designed to provide quality investment advice with the maximum security possible; while, at the same time, meeting the daily cash flow needs of its clients while complying with all state and federal statutes governing public investments.

Through fundamental and technical analysis SFG helps clients design and implement suitable investment programs. SFG has established the following objectives to help clients understand how it structures investment portfolios.

The primary objectives of SFG in priority order are:

1. **Safety-** Safety of principal is the leading objective of SFG investment program. Investments shall be made in a manner designed to preserve capital in the overall portfolio.
2. **Diversification-** SFG through asset allocation and investment analysis, seeks to diversify client investments to protect against loss in a portfolio. Portfolios are designed to reduce exposure to risk by combining a variety of investments (i.e.- stocks, bonds, real estate, and international investments) which are unlikely to react similarly in any given market condition. Diversification reduces both the upside and the downside potential of an investment portfolio and, as such, allows for more consistent performance under a wide range of economic conditions.
3. **Liquidity-** Investment portfolios shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated.

4. Return on Investment- Investment portfolios shall be designed in accordance with the investment risk constraints and cash flow characteristics of each investor. SFG's goal is to help clients wade through the varying investment cycles and economic conditions of the capital markets.

SFG encourages clients to minimize risk exposure by maintaining reasonable diversification and limiting investments in equity securities to no more than a ten percent (10%) position in any single security and to limit the total security's position (debt and equity) in any one company to no more than twenty percent (20%) of the portfolio. Reasonable sector allocations and diversification should also be maintained. While SFG recommends this formula to limit risk, they do understand that client needs vary and not all clients will follow this recommendation.

SFG has adopted investment rebalancing as a risk-management strategy. Once an investment model using asset allocation is implemented rebalancing will take place as needed depending on market and economic conditions and each investor's individual needs. SFG, in some cases, maintains discretionary authority over client accounts and can make appropriate changes as they see fit. Investment authority is the responsibility of SFG and should be consistent with investment policy.

To help make the most appropriate investment decisions, SFG uses a variety of sources of information including mutual fund prospectuses, financial newspapers and periodicals along with reports outlining corporate activities of the companies in which SFG invests. This includes, but is not limited to, annual reports, corporate documents and any filings with the Securities and Exchange Commission.

SFG also uses research prepared by independent third party organizations to help them maintain the investment strategies specific to each of their clients. These investment strategies include long term purchases of securities held for more than one year, short term purchases representing securities held for less than one year, trading which represents securities held for less than 30 days, margin transactions and writing options that included covered and uncovered options along with spread strategies.

Education & Business Standards

Members of SFG strive to provide their clients with the highest quality investment advice and service. For investment advisors to meet SFG's professional standards, they are required to meet certain educational and business qualifications.

SFG's investment advisors have a wide range of business and educational backgrounds and are required to have appropriate licenses and registrations to transact business. In addition, a comprehensive training program specifically developed for SFG investment professionals must be completed.

The president of the company, Scott J. Race, was born on August 19, 1972 and is a Penn State University graduate who started his career with American Investment Services where he spent his time helping individuals with their investments. In 2001, Mr. Race created Senior Essential. This boutique firm was designed to help people aged 55 and older prepare and/or maintain their investment portfolios during retirement. Senior Essential was the precursor to SFG which was established in September of 2004.

Business Activities

SFG is licensed with the Pennsylvania Department of Insurance and offers its clients a variety of insurance products and services. SFG holds the necessary licenses to help advise its clients on life, accident and health insurance matters. SFG is fully licensed to conduct insurance transactions with individuals and groups in these areas.

SFG is affiliated with Principal Marketing Group, LLC (PMG). PMG acts as a general insurance agency for SFG. PMG does not provide compensation to SFG, but rather serves as a liaison between SFG and the insurance companies with whom PMG is affiliated. Compensation for insurance products are derived directly from the insurance carrier.

Financial Industry Activities or Affiliates

SFG is not registered nor does it have a pending registration with any broker-dealer or futures commission merchant, commodity pool operator or commodity-trading advisor. SFG has no other arrangements that are material to its advisory business or its clients with any related person as defined by the Securities and Exchange Commission.

Client Transactions

SFG buys and sells for itself securities that it also recommends to clients. SFG will recommend these securities only when they meet the client's investment objectives and risk tolerance. When SFG recommends any security transaction to a client, it will disclose, at that time, any recent changes (changes occurring within the prior 14 days) it may have made concerning that security.

SFG does not buy securities, for itself, from or sell securities it owns to clients, nor does it, as broker or agent, effect securities transactions for compensation for any clients. SFG will not recommend to a client to buy or sell securities or investment products in

which it has a financial interest beyond the ownership of common or preferred shares in its own portfolio.

Account Management & Review

Client accounts will be managed on a self-directed basis. Client accounts will, at all times, be held solely in the name of the client and will require the client's authorization for withdrawal or adjustment. The client may, at any time, increase or decrease their position with regard to the managed asset. Clients may grant SFG investment or brokerage discretion as defined in Part II of section 12 of form ADV. To grant SFG investment or brokerage discretion, client must check the box marked *YES* and initial the line in section 5 of SFG's advisory agreement describing investment discretion.

In doing so, client grants SFG full investment discretion. This will allow SFG to make investment changes on behalf of the client without consent from the client. This authority will not allow SFG to withdraw or have monies sent to the client without client consent. If neither *YES* or *No* is checked, SFG will assume that investment and/or brokerage discretion was not authorized to by the client. If a client selects *NO*, initials are not required.

Clients will describe any limitations regarding investment or brokerage discretion prior to any investment implementation. Discretionary limitations will be discussed and offered to all clients prior to any investment implementation. If the client offers no direction on limitations, it is understood that SFG will have full investment or brokerage discretion.

In its day-to-day operations SFG provides to its clients:

- A. investment advisory services
- B. investment account management, and
- C. financial planning services and advice.

SFG does not impose a minimum dollar value on the assets that it is willing to manage on behalf of a client, or for starting or maintaining an account.

SFG conducts portfolio reviews no less than once per year. Portfolio reviews consist of a full evaluation. Investment reviews will take place no later than on a client's contract anniversary date. Client portfolios will be evaluated and rebalanced, if necessary, to match the client's stated investment objectives. Investment objectives will be determined by a client's time horizon, risk tolerance, tax bracket and stated goals. Changes in a client's time horizon, risk tolerance, tax bracket or stated goals prior to an annual review will trigger an immediate evaluation. Prior to any investment implementation each client will undergo an evaluation to determine their acceptable range of investment risk along with their financial goals. From this evaluation an investment policy statement will be created and implemented.

Scott J. Race, President of SFG, and Investment Advisor Representative will oversee the review of all client portfolios and investment policy statements.

Supplemental Compensation

SFG solicitor's agreement allows for referral compensation to be paid to investment advisor representatives that are not employees of SFG. Solicitors are compensated for client referrals. Their compensation will be based on a percentage of the managed asset's gross value and will be paid quarterly. Referral fees will be based on a client's average portfolio value from the preceding 3 months. SFG will be compensated in arrears therefore the solicitors will also be compensated in arrears. All fees will be paid from the Broker on a quarterly basis to SFG.

Either party for any reason may terminate the solicitor's agreement. To terminate this agreement, the terminating party must submit to the other written notice canceling this agreement.

Account Custody

Clients will establish and maintain, in their name, accounts into which they shall deposit funds and/or securities. Unless otherwise specified, accounts will be established with TD Ameritrade Institutional Services (member NYSE/SIPC), a division of TD Ameritrade Investor Services, Inc (hereinafter referred to as the Broker). TD Ameritrade is located at 4075 Sorrento Valley Boulevard, Suite A, San Diego, CA 92122. These accounts will be referred to as managed assets. Business clients were accounts are required to be held in trust will do so. Account trustees will vary depending on client needs.

Client understands that the Broker and/or Trust, not SFG, will have full custody of their funds and that client will be required to pay brokerage commissions to the Broker and/or the Trust with respect to all transactions affected in their account. Client will receive statements directly from the Broker and/or Trust. SFG will not prepare regular client account statements or transaction documents.

Client authorizes the Broker and/or Trust to forward copies of all confirmations, statements and/or reports to SFG. Client authorizes the

Broker and/or Trust to forward copies of confirmations, statement or reports to the soliciting advisor listed on this agreement. Client authorizes the soliciting advisor view only online access to confirmations, statement and reports.

For any questions, please feel free to contact Simon Financial Group, Inc. at One Bala Plaza, Suite 630, Bala Cynwyd, PA 19004 or call toll free (877) 874-2450.

Page 1 of 4



SIMON CAPITAL MANAGEMENT
SIMON INSURANCE CORP

The Simon Financial Group will give Clients the benefit of their continuing study of economic conditions, securities markets and other economic issues. On the basis of these studies, SFG shall provide advice regarding the allocation of Client assets, including the specific allocation of money market funds, stocks & bonds, CDs, municipal and government securities, mutual funds, unit investment trusts, annuities, and other appropriate investments.

This investment advisory agreement is between Simon Financial Group, Inc. and the Client(s) listed below for which Client wants SFG to act as investment advisor in accordance with the terms and conditions of this agreement and all applicable laws. The agreement is intended to outline the responsibilities of the parties with regard to investment management services to be provided by SFG. Simon Financial Group, Inc. is federally registered through the Securities Exchange Commission. SFG's service brochure and any current supplement to such brochure may contain important information regarding SFG's investment advisory engagement options and/or fee schedule and will be delivered upon request. No assignment of this agreement by SFG will be effective without the Client's written consent.

Client 1

[illegible]

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Married to Second Client: ☐ Yes ☐ No ☐ N/A (please check one)

[illegible]

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Married to First Client: ☐ Yes ☐ No ☐ N/A (please check one)

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Section 3- Customer Privacy

The Simon Financial Group’s privacy policy is set forth in “SFG Privacy Policy” (“Privacy Policy”). Privacy Policy is a standalone document that can be requested at any time or viewed online at www.simoncap.com. SFG’s Privacy Policy can be modified without notice. Simon Financial Group’s Privacy Policy explains how personally identifiable Client information is collected and how this information is protected and used to conduct business on behalf and in the best interest of Client(s).

Simon Financial Group and Client agree that all of the above-mentioned information pursuant to Section 1, shall be disclosed and used by the company in accordance with SFG's Privacy Policy. By signing this agreement, Client is authorizing SFG to use the information collected to help identify and recommend to the Client investment advice and financial products that best serve Client.

Section 4- Custodian

Individual Clients (defined as people establishing accounts using identification other than a business EIN) will establish and maintain, in their name, account(s) into which they shall deposit funds and/or securities with TD Ameritrade Institutional Services (a division of TD Ameritrade Investor Services, Inc. member NYSE/SIPC) further referred to as Broker. TD Ameritrade is located at 4075 Sorrento Valley Boulevard, Suite A, San Diego, CA 92122. These accounts will be referred to as managed assets. If available, other financial custodians could be supplemented in place of Broker with written consent from Individual Client. Account applications for these institutions signed by Individual Client will serve as written consent.

Individual Client understands that the Broker and not SFG will have full custody of their funds and that Individual Client will be required to pay brokerage commissions to the Broker with respect to all transactions affected in their account. Client will receive statements directly from the Broker. SFG will not prepare regular Client account statements or transaction documents. Client authorizes the Broker to forward copies of all confirmations, statements, and/or reports to SFG.

Business Clients (defined as businesses establishing an account using an Employer Identification Number) will establish and maintain, in their company's name either directly for the company and/or on behalf of the company's employees, and/or both, account(s) into which they shall deposit funds and/or securities or serve as the Trustee to these funds and/or securities. Business Clients may establish accounts with either Broker or with the appropriate custodian and/or trust company required to establish and/or maintain this type of account.

Section 5- Account Management

Client accounts will be managed on a self-directed basis. These accounts will, at all times, be held solely in their name and will require client authorization prior to SFG processing a withdrawal or making an adjustment. Clients may grant, by checking the *Yes* box below, SFG Investment Discretion as defined in section 12, Part II of form ADV. This authority will allow SFG to make investment changes on behalf of the Client. Investment Discretion, at any time, may be revoked by a client or terminated by SFG. To do so, either must provide to the other in writing, a letter instructing them to cancel Investment Discretion. If neither box is checked a *No* answer will be applied.

Investment Discretion:

Client Authorizes Simon Financial Group, Inc. Investment Discretion: (If neither box is check a *No* answer will be applied.)

☐ Yes _____ or ☐ No _____ ▪ ☐ Yes _____ or ☐ No _____
(Client 1 initials) (Client 2 initials)

Section 6- Client Fees

Client agrees to pay SFG according to the fee schedule described in Schedule F of Form ADV Part II unless otherwise indicated. The fee will be based on the gross value of the managed asset. It will be paid at the end of each quarter by the Broker, Custodian and/or Trust Company (BCT). Each quarter, SFG will submit to the BCT a bill for the Client's fee. The BCT will apply the agreed upon fee percentage and deduct payment from the Client's account based on the average portfolio value from the preceding 3 months (for an outline of SFG's fees see Schedule F of Form ADV Part II). At least quarterly, the BCT will notify the client how much has been paid to SFG.

Investment Fees:

Client authorizes the Broker, Custodian and/or Trust Company to deduct the following fee from client account(s). Fee_____ %.

☐ Yes _____ (Client 1 initials) ☐ Yes _____ (Client 2 initials)

Investment Advisory Service Agreement

Page 3 of 4

If Client requests financial planning services, variable annuity, variable life insurance, college savings account sub-account management or for SFG to structure a fixed income portfolio, additional fees may apply. For a full list of fees clients may request a copy of Schedule F of Form ADV Part II. If Client wishes to cancel sub-account management, they may do so by providing, in writing, notice of cancellation. This relationship will be considered terminated upon receipt of this written request. All account management and sub-account management fees are paid in arrears so there will be no fee returned upon termination.

To cancel financial planning services and receive a refund of financial planning fees, Clients must provide a written request within 30 days of receiving their financial analysis. This payment structure will only be permitted once the Client authorizes this agreement. Client agrees to pay fees as detailed in Schedule F of Form ADV Part II to Simon Financial Group, Inc or the negotiated fee. All fees are negotiable. The Client agrees that SFG is responsible for computing fees as such and the Broker may rely on such computation submitted. SFG uses Morningstar's Advisor Workstation fee accounting services and computer programs for all fee calculations.

Section 7- Disclosures

Client acknowledges that past performance of investments recommended by SFG should not be construed as an indication of future results. Client is aware of the risks associated with investing in equity and fixed income markets and that such action may result in the loss of funds and that SFG has no influence or control of any investment. Clients understand that their investments will go up or down depending on market conditions. Simon Financial Group, Inc. makes no promises, guarantees or warrants to Client that any services performed will result in a profit. Client may rely on information furnished by SFG to be reasonably accurate and reliable. This agreement may be modified upon such terms as may be mutually agreed upon in writing. Either party may terminate this agreement upon written notice. Such a withdrawal will be effective upon receipt of written notice. Investment advisory and sub-account management fees are paid in arrears so there will be no advisory fees returned upon termination of this agreement. Clients will be billed on a prorated basis up until the day of cancellation for any terminated managed account.

This agreement is not assignable by SFG without the advance written consent of Client. Client's financial recommendations will be based on their current financial situation, future needs and goals based on information supplied by Client to SFG. Client agrees to discuss with SFG their financial objectives and future needs openly and without hesitation. Client will promptly inform SFG of material changes to their circumstance, needs and objectives. Client agrees that The Simon Financial Group nor its advisors shall have any liability for Client's failure to promptly inform SFG or its advisors of any material changes in the Client's circumstances that affect the manner in which their assets are allocated.

Client acknowledges that SFG's principals and advisors are licensed insurance agents. As such, SFG may receive sales commissions and other income from the insurance companies represented. By accepting this agreement, Client certifies that they are legally empowered to enter into this agreement in a fiduciary capacity. If this agreement is established by a corporation, the undersigned certifies that the agreement has been duly authorized, executed and delivered on behalf of such corporation and that the agreement is a validly certified copy of a resolution of the Board of Directors of the corporation to that effect and authorizing the appropriate officers of the corporation to act on its behalf in connection with this agreement.

Client understands that the laws of the state of Pennsylvania along with the Pennsylvania Securities Commission and Securities Exchange Commission shall govern this agreement. This agreement contains all the understanding of the parties as to this agreement. Client understands that Simon Financial Group, Inc. is required by law to obtain certain personal information from each Client that will be used to verify their identity. If Client is unwilling to provide this information, SFG will not be able to open Client accounts. If SFG is unable to verify Client's identity, they have the right to terminate this agreement and/or take further steps that may seem reasonable.

Section 8- Arbitration

Any controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be settled by arbitration, in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. Unless otherwise agreed by all parties to the arbitration, The American Arbitration Association will be the only venue for resolving claims arising out of or relating to the Agreement. All parties to the arbitration irrevocably waive trial by jury in any action, processing or counterclaim, whether at law or in equity. This arbitration clause does not constitute a waiver of any right of private claim or cause of action provided in the Investment Advisor Act of 1940.

All claims must be arbitrated on an individual basis. There shall be no right or authority for any claims to be arbitrated on a class action basis or bases involving claims brought in a purported representative capacity on behalf of the general public, Clients or other persons similarly situated. The arbitrator's authority to resolve claims is limited to claims between the parties to the arbitration, alone, and the arbitrators authority to make awards is limited to the parties to the arbitration alone. Claims brought by Client against SFG, its employees or independent contractors, or by SFG against Client may not be joined or consolidated in arbitration with claims brought by or against someone other than the Client, unless agreed to in writing by both Client and SFG.



Page 4 of 4

Simon Financial Group, Inc. One Bala Plaza, Suite 630 Bala Cynwyd, PA 19004

Exhibit B

Dear Simon Group:

Through proper due diligence, we have determined that the investment services offered by SFG are appropriate and will best meet the above mentioned client's needs. Below you will find a Client Investment Profile that should be used to determine this clients investment program.

Cordially,

Advisor Signature

Date (mm/dd/yyyy)

Advisor Name

The Client is:

Employment Status

Federal Household Tax Bracket

Annual Household IncomeNet Worth Household

Liquid Net Worth Household

Investor's Time Horizon

Investor's Risk Tolerance²

Investment Objective

☐ Capital Preservation ☐ Capital Appreciation ☐ Income ☐ Tax Consideration ☐ Protection

¹ For Client accounts involving a husband and wife, you may list, but are not required to, both applicants on the same referral notice.

² For a more detailed Risk Profile questionnaire please download SFG, Inc.'s Risk Tolerance Test to help your clients determine their risk preferences. SFG, Inc.'s goal is to help clients develop investment programs that best reflect the details listed above in the Client Investment Profile and will create an investment model based on that information unless otherwise instructed. Any investments changes must be submitted to SFG, Inc. in writing.

DISCLOSURE STATEMENT REQUIRED BY RUEL 206 (4) – 3 (b) OF
THE INVESTMENT ADVISERS ACT OF 1940 AS AMENDED

I. Name and Address of Advisor (Solicitor)

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II. The name of the Investment Advisor is Simon Financial Group, Inc. a Pennsylvania corporation with offices at One Bala Plaza, Suite 630, Bala Cynwyd, PA 19004

III. The Nature of the Relationship, Including any Affiliation between the Solicitor and the Investment Advisor. Other than the contractual arrangement described herein below, there is no relationship between the Investment Adviser and the Solicitor.

IV. Statement that the Investment Advisor will compensate the Solicitor for his/her Solicitation Services. Be advised that the Solicitor will be compensated by the Investment Adviser for its services pursuant to the terms of a written agreement between the Adviser and the Solicitor described herein below.

V. **Terms of Such Compensation Arrangement, Including a Description of the Compensation Paid or to be Paid to the Solicitor.** Pursuant to the terms of a written agreement between the Investment Advisor and the Solicitor, The Investment Adviser has agreed to pay to the Solicitor up to 1% of the managed asset's gross value under the Adviser's Advisory Agreement with the client under the terms of the Investment Advisory Agreement until that agreement has been made void or canceled by the Client. Such payments are subject to termination by the Investment Advisor under certain conditions.

VI. The Amount, If Any, For The Cost Of Obtaining their Account. The Client will be Charged in Addition To The Advisory Fee. And The Differential, If Any, Among Clients With Respect To The Amount Or Level Of Advisory Fees charged By The Investment Adviser. If Such Differential is Attributable to the Existence of any Arrangement Pursuant to Which the Investment Advisor has Agreed to Compensate the Solicitor for Soliciting Client for, or Referring Clients to, the Investment Advisor. Under the terms of the agreement between the Solicitor and the Investment Advisor, the Investment Advisor is not permitted to charge any client any portion of the fees paid to the Solicitor hereunder. Likewise, pursuant to the terms of the agreement between the Investment Advisor and the Solicitor, the Solicitor is not permitted to charge any client at a higher rate than that charged to any other client on the sole basis of the existence of the agreement between the Investment Advisor and the Solicitor or the fees paid to the Solicitor pursuant thereto.

ACKNOWLEDGEMENT OF RECEIPT

By signing below, Client acknowledges receipt of (1) a summary of Part II of Advisor Form ADV or equivalent disclosure brochure for and (2) the disclosure statement of Simon Financial Group, Inc. required by Rule 206 (4)-3 under the Investment Advisers Act of 1940.

I/we acknowledge receipt of (1) Summary of Part II Advisor Form ADV and (2) the disclosure statement: Yes ☐ No ☐ (check one)

X

Client Signature

- -

Date (mm/dd/yyyy)

Client Name

[illegible]

Client Signature

- -

Date (mm/dd/yyyy)

Client Name

[illegible]