

Albion Financial Group  
812 East 2100 South  
Salt Lake City, UT 84106  
801-487-3700  
[www.albionfinancial.com](http://www.albionfinancial.com)

March 29, 2012

This Brochure provides information about the qualifications and business practices of Albion Financial Group. If you have any questions about the contents of this Brochure, please contact us at 801-487-3700 or [info@albionfinancial.com](mailto:info@albionfinancial.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.

Albion Financial Group is a registered investment adviser. Registration of an Investment Adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information which may assist you in determining to hire or retain an Adviser.

Additional information about Albion Financial Group also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

This Brochure dated 3-29-2112 is a revised document prepared according to the SEC's new requirements and rules. Only material changes are discussed in this section.

In Item 4 Advisory Business and Item 6 Performance Based Fees, Albion Financial Group has added a new private investment fund, Albion Fund II. Albion has had Albion Fund I for several years, and Albion Fund II is similar in incorporation and management. See these Items for further details.

In Item 5 Fees and Compensation, the following paragraph was added:

Fees for Albion's services may be charged on a percentage of assets under management, hourly rate, fixed rate, or performance-based fee structure. See Item 6 for performance-based fees specifics.

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

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

Currently, our Brochure may be requested by contacting Zen Holm at 801-487-3700 or [zen@albionfinancial.com](mailto:zen@albionfinancial.com).

Additional information about Albion Financial Group (Albion) is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with Albion who are registered, or are required to be registered, as investment adviser representatives of Albion.

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## **Item 4 – Advisory Business**

### **A. Description of Firm**

Albion Financial Group is a Registered Investment Advisory Firm founded in 1982 and is privately held by William T. Levitt and John Bird.

### **B. Description of Services**

Albion offers discretionary management of investment accounts and financial planning for individuals and institutions, specializing in equity and debt securities including but not limited to domestic and foreign common stocks, exchange traded funds, no-load mutual funds, closed end mutual funds, convertible securities, corporate and municipal bonds, and U.S. Government securities.

Albion also manages Albion Fund I, LP, and Albion Fund II, LP, both private investment funds, according to the investment objectives and investment guidelines set forth in the funds' offering memorandums. See Item 6 for further details of these funds and service.

### **C. Client Tailored Services and Client Imposed Restrictions**

Albion offers the same suite of services to all of its clients. However, specific client financial plans and their implementation are dependent upon the client Investment Policy Statement which outlines each client's current situation and may include information such as cash distribution requirements, time horizon, tax situation, and risk tolerance. The Investment Policy Statement serves as guidance in constructing a client specific investment portfolio appropriate for the client restrictions, needs, and targets.

Clients may impose restrictions in investing in certain securities or types of securities in accordance with their values or beliefs. However, if the restrictions prevent Albion from properly servicing the client account, or if the restrictions would require Albion to deviate from its standard suite of services, Albion reserves the right to end the relationship.

### **D. Wrap Fee Programs**

Albion is an investment manager in the UBS MAC Wrap program and in the RBC Dain Rauscher MAP program. Accounts in these programs are treated no differently than other Albion client accounts. Trades are pre-allocated according to Investment Policy, and trades are placed in blocks so that all clients receive similar trade executions. Albion receives a portion of the wrap fee for our investment management services.

## E. Amounts Under Management

Discretionary Amounts:	Non-discretionary Amounts:	Date Calculated:
\$626,550,522	\$32,020,511	December 31, 2011

## Item 5 – Fees and Compensation

### A. Fee Schedule

Fees for Albion's services may be charged on a percentage of assets under management, hourly rate, fixed rate, or performance-based fee structure. See Item 6 for performance-based fees specifics.

Fees for assets under management are listed at:

#### Investment Management Equity Account Fee

1.5% for first	\$2,500,000
1% from	\$2,500,000 to \$5,000,000
0.75% above	\$5,000,000

#### Investment Management Balanced Account Fee

1.25% for first	\$2,500,000
0.95% from	\$2,500,000 to \$5,000,000
0.65% above	\$5,000,000

These fees are negotiable in certain circumstances and the final fee schedule is part of the signed Management Agreement for each client.

The agreement may not be modified or amended except in writing and signed by both the advisor and the client. Advisor and client may terminate the agreement within five days of the date of acceptance with no penalty to the client. After the five day recession period, either party may terminate the agreement at any time, effective upon the receipt of written notice, and the advisor will return to the client the unused portion of prepaid management fees.

### B. Payment of Fees

Fees are payable at the beginning of each calendar quarter, computed on the value of the account on the first day of the quarter. The fee for the first quarter, or part thereof, is payable on the date of acceptance and will be computed on the value of the account on that date. The fee is prorated for a partial quarter. There is no additional charge for value

added to the account between billings, and no credit issued for withdrawals during the quarter. Advisory fees are withdrawn directly from the client's accounts with client written authorization. Upon request, clients may be billed directly.

### **C. Clients Are Responsible For Third Party Fees**

Albion's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Albion's fee, and Albion shall not receive any portion of these commissions, fees, and costs.

Item 12 describes the factors that Albion considers in selecting or recommending broker-dealers for *client* transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

### **D. Prepayment of Fees**

Albion collects fees in advance and in arrears. Fees that are collected in advance will be refunded based on the prorated amount of work completed at the point of termination and the total days during the billing period. Fees will either be credited to the account or mailed via check.

### **E. Outside Compensation For the Sale of Securities to Clients**

Neither Albion nor its supervised persons accept any compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

## **Item 6 – Performance-Based Fees and Side-By-Side Management**

Albion Financial Group manages Albion Fund I, LP, and Albion Fund II, LP both private equity funds, according to the investment objectives and investment guidelines set forth in the funds' offering memorandums. Albion Financial Group serves as the investment manager to Albion Fund I, LP, and Albion Fund II, LP, both Delaware limited partnerships. These privately offered funds pay Albion Financial Group a management fee of 1.0% per

annum of all capital commitments. In addition, Albion Financial Group is entitled to receive 10% of the returns in excess of investors' returned initial capital contributed.

Where fund investors pay for services by means of performance-based compensation there is an incentive for Albion Financial Group to make investments that are riskier or more speculative than would be the case in the absence of the performance-based compensation. Clients may be solicited by Albion Financial Group to invest in the funds. To the extent clients make an investment in the funds; Albion will waive its advisory fees charged with respect to such assets. Albion Fund I and Albion Fund II invest in investments not available to Albion's regular clients.

## **Item 7 – Types of Clients**

Albion generally provides portfolio management services to individuals, families and corporate or business entities.

## **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

### **A. Methods of Analysis and Investment Strategies**

Albion's methods of analysis include fundamental analysis, technical analysis, and cyclical analysis.

- **Fundamental analysis** involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management or competitive advantages.
- **Technical analysis** involves the analysis of past market data; primarily price and volume.
- **Cyclical analysis** involved the analysis of business cycles to find favorable conditions for buying and/or selling a security.

Investing in securities involves risk of loss that clients should be prepared to bear.

### **B. Material Risks Involved**

Albion uses Long Term Trading Strategies, but should material events with a specific company or economic environment arise, trades may be short term.

Albion utilizes investment strategies that are designed to capture market rates of both return and risk. Frequent trading, when done, can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

Albion generally seeks investment strategies that do not involve significant or unusual risk beyond that of the general domestic and/or international equity markets.

Investing in securities involves risk of loss that clients should be prepared to bear.

### C. Risks of Specific Securities Utilized

Past performance is not a guarantee of future returns. Investing in securities involves risk of loss that clients should be prepared to bear. Further, depending on the different types of investments there may be varying degrees of risk. Clients and investors in the Private Funds (Albion Fund I, LLP and Albion Fund II, LLP) should be prepared to bear investment loss, including loss of original investment.

Because of the inherent risk of loss associated with investing in securities, Albion is unable to represent, guarantee, or even imply that its services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients or investors from losses due to market corrections or declines. For the two Private Funds, There are a number of risk factors disclosed in the Funds' Offering Materials that relate to the Funds specifically; prospective investors are urged to review such risk factors carefully prior to making an investment. In addition, the primary risk factors applicable to Albion's investment programs for its client accounts generally include:

- Market Risk – The markets, as a whole, could collapse, resulting in a decrease in the value of client investments. This is also referred to as systematic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company and Industry Risk - When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example,



if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

- Management Risk – Albion's investments will be subject to investment management risk. The success and failure of the Albion's investment strategies, research, analysis and determination of portfolio securities will affect the value of Albion's investments for our clients.
- Small Company Risk - Investments in small companies may be riskier than investments in larger, more established companies. Small companies may be more vulnerable to economic, market and industry changes. Because smaller companies may have limited product lines, markets, or financial resources, or may depend on a few key employees, they may be more susceptible to particular economic events or competitive factors than larger companies.
- Concentration Risk – In the event that Albion is instructed by a client to manage an account that is relatively concentrated, a loss in any single position could have a more severe adverse impact on the performance of the client's portfolio overall than it would in a more diversified portfolio.

## **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Albion or the integrity of Albion's management. Albion has no information applicable to this Item.

## **Item 10 – Other Financial Industry Activities and Affiliations**

### **A. Registration as a Broker/Dealer or Broker/Dealer Representative**

Neither Albion nor its representatives are registered as a broker/dealer or as representatives of a broker/dealer.

### **B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Advisor**

Neither Albion nor its representatives are registered as a FCM, CPO, or CTA.

### **C. Registration Relationships Material to this Advisory Business and Possible Conflicts of Interests**

The principals of Albion Financial Group are shareholders of National Advisors Holdings, Inc. (“NAH”), a Delaware corporation organized in August of 1998. Such persons hold a minority interest (less than 1.0%), in the aggregate, of the outstanding stock of NAH. NAH has formed a federal trust company known as National Advisors Trust Company (“NATC”). NATC provides trust and custodial services to clients of investment advisory firms, such as Albion, across the United States.

Albion receives referrals from Schmitt, Griffith, Smith & Co., an Accounting Firm. Albion is independent and unaffiliated with Schmitt, Griffith, Smith & Co. Albion pays Schmitt, Griffith, Smith & Co. 20% (twenty percent) of the investment management fees collected from referred clients. Albion will not charge any fees or costs higher than the standard fee schedule offered to other advisory clients or otherwise pass referral fees paid to Schmitt, Griffith, Smith & Co. to Albion clients. Albion also refers clients to Schmitt, Griffith, Smith & Co on occasion.

Albion Financial Group is a participant in the MedCentric Advisor Referral Program. Albion is independent and unaffiliated with MedCentric. MedCentric is not a broker dealer, however in most cases assets referred to Albion by MedCentric must be custodied at Schwab. Schwab meets our Best Execution requirements, and should a conflict of interest arise, Albion will do its best to resolve any conflict. Albion's best execution duty is not eliminated by its participation in the program. Albion will not charge any fees or costs higher than the standard fee schedule offered to other advisory clients or otherwise pass referral fees paid to MedCentric to Albion clients. Albion pays fees, not to exceed 15% of the advisory fee that the client pays to Albion, to MedCentric in connection with successful referrals made through MedCentric. Albion has agreed not to solicit clients referred through MedCentric.

Albion Financial Group (Albion) receives client referrals from Charles Schwab & Co., Inc. (“Schwab”) through Albion's participation in Schwab Advisor Network® (“the Service”). The Service is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with Albion. Schwab does not supervise Advisor and has no responsibility for Albion's management of clients' portfolios or Advisor's other advice or services. Albion pays Schwab fees to receive client referrals through the Service. Albion's participation in the Service may raise potential conflicts of interest described below.

Albion pays Schwab a Participation Fee on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Albion is a percentage of the fees the client owes to Albion or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Albion pays Schwab the Participation Fee for so long as the referred client's account remains in custody at Schwab. The Participation Fee is billed to Albion quarterly and may be increased, decreased or waived by Schwab from time to time. The Participation Fee is paid by Albion and not by the client. Albion has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Albion charges clients with similar portfolios who were not referred through the Service.

Albion generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from Schwab. This Fee does not apply if the client was solely responsible for the decision not to maintain custody at Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Advisor generally would pay in a single year. Thus, Albion will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees will be based on assets in accounts of Albion's clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, Albion will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at Schwab and to instruct Schwab to debit Albion's fees directly from the accounts.

For accounts of Albion's clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but Schwab will receive compensation from Albion's clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. Schwab's fees for trades executed at other broker-dealers are in addition to the other broker-dealer's fees. Thus, Albion may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. Albion nevertheless, acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for Albion's other clients. Thus, trades for

accounts custodied at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

Albion Financial Group is the General Partner of the Albion Fund I, LP and Albion Fund II, LP. From time to time Albion Financial Group may discuss investing in the funds with clients for which such an investment may be suitable. Any such decision to invest in the funds will be solely in the client's discretion after receipt and review of the funds' offering memorandum and the client's completion of the subscription documents. To the extent clients make an investment in the funds, Albion will waive its advisory fees charged with respect to such assets.

**D. Selection of Other Advisors or Managers and How This Adviser is Compensated for Those Selections**

Albion does not utilize nor select other advisors or third party managers. All assets are managed by Albion.

**Item 11 – Code of Ethics**

**A. Code of Ethics**

We follow the written Code of Ethics as defined in the Standards of Practice Handbook published by the Chartered Financial Analyst Institute (CFAI). This Code of Ethics covers the following areas: Use of Material Nonpublic Information, Market Manipulation, Fair Dealing, Preservation of Confidentiality, Priority of Transactions, among other topics. Clients or prospective clients may request a copy of our Code of Ethics from management.

**B. Recommendations Involving Material Financial Interests**

Albion does not recommend that clients buy or sell any security in which a related person to Albion has a material financial interest.

**C. Investing Personal Money in the Same Securities as Clients**

From time to time, employees of Albion may buy or sell securities for themselves that they also recommend to clients. Albion will always document any transactions that could be construed as conflicts of interest and will always transact client business before their own when similar securities are being bought or sold.

**D. Trading Securities At/Around the Same Time as Clients' Securities**

From time to time, employees of Albion may buy or sell securities for themselves at or around the same time as clients. If purchased at the same time as clients, purchase is part of a block purchase, and employees and clients receive the same price with no priority of either over the other. If purchased separately from clients, an Employee Trade Form is filled out and signed by a senior member of the trading team or management. Employee

accounts are reviewed by management on regular basis to monitor for inappropriate activity.

## **Item 12 – Brokerage Practices**

### **A. Factors Used to Select Custodians and/or Broker/Dealers**

Albion manages client accounts on a discretionary basis. These discretionary accounts are held at the custodians, which may be suggested by Albion and where Albion's right of withdrawal is limited to payment of advisory fees where prior client consent has been obtained. The limitations on the authority of Albion Financial Group to determine the securities or the amount of securities to be bought or sold on behalf of the client are:

- Trading authorization which is specifically limited to the purchase, sale and exchange of securities per the management agreement signed by the client; and
- Albion works to invest each client account consistent with the objectives outlined in the client investment policy statement.
- Clients wishing to implement Albion's advice may select any broker they choose. However, Albion may also suggest a specific broker or brokers. Brokers are suggested on the basis of executions, service to clients, and commission rates.
- Albion follows a best execution policy for suggesting brokerage firms to clients. For those clients who choose their own broker with whom they may have an established relationship, we cannot and will not negotiate commission rates on their behalf.
- Albion receives research material both from brokers that we suggest and brokers that we do not suggest.

Some brokers may provide software to Albion Financial Group for downloading client account information into Albion's data management system. Additionally, many brokerage firms, including those suggested by Albion Financial Group and those not suggested by Albion Financial Group may provide compliance newsletters and other types of market and investment information at no cost. Receipt of these services by Albion Financial Group does not result in higher commission costs than otherwise available to Albion clients.

#### ***1. Research and Other Soft-Dollar Benefits***

Albion receives no research or service other than execution from a broker-dealer or third-party in connection with client securities transactions ("soft dollar benefits"). Albion does

receive newsletters from various custodians, but this does not constitute soft dollar benefits.

### ***2. Brokerage for Client Referrals***

Albion is part of a referral program for a few custodians. See Item 10 for details of these relationships. These relationships bear no weighting in our recommendation of a custodian, and there is no conflict of interest.

### ***3. Clients Directing Which Broker/Dealer/Custodian to Use***

Clients are free to use any custodian they wish. Albion may or not be able to manage an account at a custodian we do not already have a relationship with. For those clients who choose their own broker with whom they may have an established relationship, we cannot and will not negotiate commission rates on their behalf.

### **B. Aggregating (Block) Trading for Multiple Client Accounts**

On large trades, Albion will block trade purchases across accounts at the same custodian. Blocking trades involves pooling shares together in a larger block of shares at the same custodian. This allows all clients at one custodian to receive the same price on a trade. On smaller trades, Albion will make every effort to pool shares into a block for these accounts. If smaller trades are not blocked, we do not feel that the clients are at a disadvantage due to the best execution practices of our custodians.

## **Item 13 – Review of Accounts**

### **A. Frequency and Nature of Periodic Reviews and Who Makes Those Reviews**

The Investment Management team reviews all managed positions in client accounts on an ongoing basis. Positions are reviewed for individual potential as well as fit into the portfolio as a whole. Members of the Financial Advisory team monitor individual client accounts for client specific suitability on an as needed basis. We ask that clients inform us as soon as possible if there are changes in their circumstances that may affect their investment policy. Such changes may necessitate an immediate review.

Individual Securities and their allocation within a portfolio are reviewed in a team environment. The Investment Management Team performing these ongoing reviews includes:

William Levitt, CEO

John Bird, President

Douglas Wells, Vice President

John Bergerson, Vice President

Mason Woolf, Trader  
Jon Larsen, Portfolio Manager  
Jason Ware, Analyst

Client specific account suitability is performed in a team environment with two or more of the following team generally involved for each client:

John Bird, President  
Douglas Wells, Vice President  
Debbie Knotts, Vice President  
Sarah Bird, Wealth Advisor  
Devin Pope, Wealth Advisor  
Elizabeth Bernhard, Wealth Advisor

**B. Factors That Will Trigger a Non-Periodic Review of Client Accounts**

Reviews may be triggered by material market, economic or political events, or by changes in a client's financial situations (such as retirement, termination of employment, physical move, or inheritance).

**C. Content and Frequency of Regular Reports Provided to Clients**

Clients receive monthly statements from their custodial firm and quarterly statements from Albion Financial Group. Albion also provides interim reports to clients as required.

**Item 14 – Client Referrals and Other Compensation**

**A. Economic Benefits Provided by Third Parties for Advice Rendered to Clients (Includes Sales Awards or Other Prizes)**

Albion does not receive any economic benefit, directly or indirectly from any third party for advice rendered to Albion clients.

**B. Compensation to Non-Advisory Personnel for Client Referrals**

Albion does not directly or indirectly compensate any person for client referrals. See Item 10 for details about custodial referral programs and compensation.

**Item 15 – Custody**

Albion Financial Group is deemed to have custody of Albion Fund I, LLP and Albion Fund II, LLP's assets, securities and cash because Albion serves as the General Partner of the Funds, and, as such has access to the Fund's securities and other funds. As a result Albion will

maintain the Funds' accounts at National Advisors Trust which serves as the Funds' "qualified custodian" for purposes of Albion's compliance with the applicable requirements under the SEC's custody rule.

For accounts in which Albion is deemed to have custody for reasons other than the ability to withdrawal fees, Albion undergoes an annual surprise audit pursuant to rule 206(4)-2, the "custody rule" under the Investment Advisers Act of 1940 and Form ADV-E is filed by the auditing CPA firm. With respect to accounts for which the Firm does not have custody (such as Managed Accounts), clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, Managed Account clients will receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. Albion urges our clients to carefully review such statements and compare such official custodial records to the account statements that Albion may provide. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities. When investors have questions about their account statements/reports, they should contact Albion or the custodian.

#### **Item 16 – Investment Discretion**

Albion usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. Discretion only allows us to make trades on client's behalf, and withdrawal management fees. We are not able to withdrawal other funds to us or other third parties without client's signature.

#### **Item 17 – Voting *Client* Securities**

As a matter of firm policy and practice, Albion does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios.

#### **Item 18 – Financial Information**



**A. Balance Sheet**

Albion does not require nor solicit prepayment of fees six months or more in advance and therefore does not need to include a balance sheet with this brochure.

**B. Financial Conditions Reasonably Likely to Impair Ability to Meet Contractual Commitments to Clients**

Neither Albion nor its management have any financial conditions that are likely to reasonably impair our ability to meet contractual commitments to clients.

**D. Bankruptcy Petitions in Previous Ten Years**

Albion has not been the subject of a bankruptcy petition in the last ten years.

**Item 19 – Requirements for State-Registered Advisers**

Not applicable because Albion is an SEC registered Adviser.