



SUB-ADVISORY SERVICES WRAP FEE BROCHURE

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This wrap fee program brochure (this “Brochure”) provides information about the qualifications and business practices of Tactical Allocation Group, LLC (referred to in this Brochure as “us,” “we,” “our” or the “firm”). If you have any questions about the contents of this Brochure, please contact us at (248) 283-2520 or [info@tagllc.net](mailto:info>tagllc.net). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

We are a registered investment adviser. Registration of an adviser does not imply any level of skill or training.

Additional information about us also is available on the SEC’s website at www.adviserinfo.sec.gov.

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SERVICES, FEES AND COMPENSATION

Our Services

We offer investment advisory services through a wrap fee program. A wrap fee program is an investment program where you would pay us, as the sponsor of the program, a single fee which covers the costs of investment management, brokerage, custody and any other services provided under the program. Our program fees, minimum account requirements and additional information about our firm are described in more detail below.

You may participate in our program in one of two ways, by working directly with one of our investment adviser representatives or by working through an independent financial advisor. If you work through an independent financial advisor, he or she will recommend to you an investment in one or more of our portfolios. We will be a sub-advisor to your independent financial advisor and we will provide services to you through a sub-advisory relationship. As described in more detail in “**Clients Referred by Financial Advisors**” on page 1, if you are a client in a sub-advisory relationship, you will not contact us directly. Instead, you will contact your independent financial advisor to receive our investment advisory services. As described in more detail in “**Services through Direct Relationship**” on page 1, if you are a direct client, you will contact us and we will communicate directly with you about your account and our investment advisory services. There are no other differences in how we manage accounts participating in our wrap fee program.

Clients Referred by Financial Advisors

At the outset of our relationship, you will enter into an investment advisory agreement with us. We also expect that you will have an agreement with your Financial Advisor. Our agreement will explain the services we provide to you and the responsibilities of your Financial Advisor. In addition, we will have no direct contact with you instead, your Financial Advisor will provide to you a portfolio performance report, this Brochure and when required our privacy policy.

Your Financial Advisor will be responsible for helping you complete the portfolio selection questionnaire which provides your Financial Advisor with information about your targeted time horizon, risk tolerance and long-term goals. Your Financial Advisor will help you choose the portfolio that meets your investment objectives. We use the information you provide in the portfolio selection questionnaire to confirm the portfolio selected by you and your Financial Advisor.

As part of our services to qualified retirement plans which are subject to the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), we will act as an ERISA 3(38) fiduciary manager. As a 3(38) manager, the plan fiduciary give us discretionary authority to manage the plan’s assets. This means that the plan fiduciary shifts its fiduciary responsibility to us for the selection of the plan’s investments. For all qualified plan clients, your Financial Advisor will work with the plan fiduciary to develop a formal written investment policy

statement (“IPS”) for the plan, or they will review and amend the existing IPS, which establishes the plan’s specific standards and processes for investment operations. The investment policy statement may also place restrictions on the types of investments the plan invest its assets in. The Financial Advisor uses the plan’s investment policy statement to recommend the Portfolio. We will receive a copy of the plan’s investment policy statement and will continually monitor the performance of the plan’s investments.

We manage your advisory account on a discretionary basis in accordance with the selected Portfolio. You retain individual ownership of all securities and you have the opportunity to place reasonable restrictions on the types of investments in your account although if we deem your restrictions to be unreasonable, we will not enter into an investment advisory agreement with you or we will terminate the existing agreement with you.

We receive a portion of the investment management fee for our advisory services and when agreed upon in the investment advisory agreement, the Financial Advisor receives the balance for its financial consulting services. Unless you participate in our wrap fee program, our portion of the fee does not include brokerage commissions, transaction fees, and other related costs and expenses which will be incurred by you.

If you become our client as a result of your Financial Advisor, your Financial Advisor will receive compensation as a result of your participation in our program. The compensation received by your Financial Advisor may be more than what the Financial Advisor would receive if you participated in another wrap fee program or contracted directly with us for investment advisory services. Accordingly, the Financial Advisor has a financial incentive to recommend our program over other programs or services.

Services through Direct Relationship

Clients without an independent Financial Advisor may utilize our services directly .

A complete description of this program and fees to participate in the program are contained in our Direct Advisory Relationship Wrap Fee Brochure. To request a copy of this program Brochure, please contact us at (248) 283-2520 or info@tagllc.net.

Our ETF Portfolios

Your assets will be invested in Exchange-Traded Products like exchange traded funds (ETFs), exchange traded notes (ETNs) allocated in accordance with one of our portfolios. Our portfolios are tactically allocated towards global equities, commodities and fixed income. We use a global blended benchmark to measure the risk we assume in allocating our portfolios globally in equities, commodities, and bonds.

Our Fees

Our fees vary depending upon the market value of your assets under management and the type of investment advisory services we provide to you. Our standard fee schedule is as follows:

Assets	Annual Fee		
	TG/TM*	TC**	TI***
\$100,000 - \$1,999,999	0.75%	0.50%	0.75%
\$2,000,000 - \$4,999,999	0.70%	0.45%	0.75%
\$5,000,000 - \$9,999,999	0.65%	0.45%	0.75%
\$10,000,000 - \$24,999,999	0.50%	0.35%	0.75%
\$25,000,000 - \$49,999,999	0.45%	0.30%	0.75%
\$50,000,000 - \$99,999,999	0.40%	0.25%	0.75%
\$100,000,000 and above	Negotiable	Negotiable	0.75%

*TG/TM = Tactical Growth or Tactical Moderate

**TC = Tactical Conservative

***TI = Tactical Income

Unless we agree in writing to handle it differently, we bill our fee quarterly in advance. The fee is based on the total assets in your account. Once your assets reach the higher asset bracket, the entire account is charged the fee associated with that bracket. We may agree to aggregate your related accounts for purposes of calculating the asset level and fee. We may negotiate our fee under certain circumstances and negotiated fees may be higher or lower than those described above. The specific manner in which we charge fees is described in our Investment Advisory Agreement with you.

Our initial fee will be deducted at the inception of your account and is prorated based upon the days remaining in the initial quarter. Generally, your fee for all subsequent quarters will be deducted within the first five business days following the close of each calendar quarter. Our fee will be calculated as of the end of each calendar quarter using the ending balance of assets in your account.

When you participate in a wrap fee program, our fee includes brokerage commissions, transaction fees, and other related costs and expenses. Because we absorb all of the transaction costs in our program, we have a financial incentive to infrequently trade our program client accounts because infrequent trades will increase our net fee. To mitigate this conflict of interest in our program, clients may choose whether or not to participate in the program.

For qualified plans, we will disclose to the plan fiduciary all revenue arrangements and any other monetary benefits provided to us or our employees related to the qualified plan and the amounts generated by the plan assets at least once per year. In addition, we will provide the required information that the plan sponsor and/or plan fiduciary may need to prepare the annual report on Form 5500 or the appropriate schedules.

Termination of Services

Either of us may terminate our investment advisory agreement by providing the other party with written notice. You have the right to terminate the agreement without penalty within five business days after signing the agreement. If the agreement terminates prior to the end of a

billing period, we will refund advisory fees to you prorated from the date of termination to the end of quarter. If the agreement is terminated, you will still be liable for any transactions initiated by us in your account under the agreement prior to the termination date, such as the purchase of investments. If you request, we will initiate redemption instructions upon receipt of your written termination notice. Proceeds will be available for payment to you upon settlement of all transactions in the account. It may not be necessary to liquidate all securities positions when terminating our agreement and you should ask us about that at the time of termination. You are responsible for any cost incurred in transferring assets from the account to a different account.

Other Fees and Charges

You may incur regulatory fees charged by the SEC to the sellers of equity securities that are exchange traded, and charges for other account services that are not directly related to the execution and clearing of transactions, including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for transfers of securities.

Our fee includes such services as investment management, such as, ETF analysis and market analysis, execution of securities, the custodian's monthly reports, account servicing, and continuous account management. Participation in our program may cost you more or less than purchasing these services separately. The portfolio size and amount, number of transactions made in your account, as well as the commissions charged for each transaction, will determine the relative cost of our program versus paying for executions on a per transaction basis and paying a separate fee for advisory services. You may be able to receive services similar to those offered through our program from other investment advisers either separately or as part of a similar wrap fee program. These services or programs may cost more or less than our program, depending on the fees charged by the other service providers.

If we provide you with advisory services through your Financial Advisor, you are paying two advisory fees: you pay one fee to us and one fee to your Financial Advisor. In general, if you qualify to use our advisory services without a financial advisor, as described in **"ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS"** on page 5, you would pay a lower fee.

ETFs and Mutual Funds typically charge their shareholders various advisory fees and expenses associated with the establishment and operation of the funds. These fees will generally include a management fee, shareholder servicing, other fund expenses, and sometimes a distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. These separate fees and expenses are disclosed in each fund's current prospectus, which is available from the fund or we can provide it to you upon your request.

Consequently, for any type of fund investment, it is important for you to understand that you are directly and indirectly paying two levels of advisory fees and expenses: you pay one layer of fees to the fund and you pay one layer of advisory fees and expenses to us. Generally

speaking, most funds may be purchased directly, without using our services and without incurring our advisory fees.

Direct Billing to Client's Custodian

You may elect to be billed directly for our fees or you may authorize us to directly debit fees from your accounts. Generally, clients authorize us to grant the custodian permission to deduct the fees directly from their account. Under our agreement, you will authorize us to bill your custodian directly for our fees. As early as the first five business days following the close of each calendar quarter, your custodian will deduct and send to us the fee. The custodian's periodic statements will show each fee deduction from your account. You may withdraw this authorization for direct billing of these fees at any time by notifying us or your custodian in writing.

ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

Account Requirements

We impose certain conditions for starting or maintaining an account. Clients of a Financial Advisor must have a minimum account size of \$100,000 of cash and/or securities to open an account.

If you do not have a Financial Advisor, our minimum requirement for individuals, trusts or estates is \$1,000,000. The minimum for charitable organizations and corporations is \$3,000,000 and pension and profit sharing plans are \$5,000,000.

We may waive this requirement at our discretion if, for example, you have additional or related accounts that together exceed the minimum requirements.

Types of Clients

We provide investment advisory services to individuals, high net worth individuals, pension and profit-sharing plans, charitable organizations, foundations, corporations, other investment advisers and collective investment funds.

PORTFOLIO MANAGER SELECTION AND EVALUATION

Advisory Business

We are the portfolio manager for all accounts in our program. We also offer investment advisory services outside of our wrap fee program including sub-advisory services to Financial Advisors, as well as investment management regarding annuity products, that you may own in your individual employer-sponsored retirement plans. We offer those services on a fee basis. For additional information regarding these services and our fees, you may request a copy of the Part 2A of our Form ADV by contacting us at (248) 283-2520 or info@tagllc.net.

Performance-Based Fees and Side-By-Side Management

A performance based fee is a fee based on a share of capital gains on or capital appreciation of the assets of a client. We do not charge performance-based fees in this wrap fee program.

Methods of Analysis, Investment Strategies and Risk of Loss

We start with a qualitative, top down analysis of global themes focused around social, political and economic trends with both historical and future perspectives. The trends are interpreted as to their “future” impact on various financial assets (asset classes). These financial forecasts are tested through various quantitative calculations and technical analysis.

We utilize our proprietary system to monitor various lagging, coincident, and leading macro and micro economic statistics and to calculate various valuation metrics. We utilize research data from numerous independent research firms and the public domain.

There are risks involved with this method, including the risk that the social, political and economic trends will change unpredictably, which is why we test our interpretations using various methods and obtain information from a variety of sources.

Investment Strategies

We use tactical asset allocation as a dynamic investment management style that adjusts asset allocations to our forward view of the relative risks and returns of various asset classes. This is distinguished from re-balancing, a mechanical, passive process bringing portfolios back to their original allocations; re-balancing fails to allow for adjustments based upon new information. We further distinguished from market timing by degree and frequency of portfolio adjustments. Our portfolios are fully invested at all times, whereas market-timing portfolios are often in or out of the markets. We invest in asset class positions with a one-year or longer outlook, whereas market timing often trades on a less than one-year frequency.

We construct each portfolio using five levels of risk management and design around a different targeted time, risk and return objectives. The portfolios utilize a “fund of funds” strategy, investing exclusively with asset class specific ETFs and ETNs versus investing directly in individual stocks and bonds.

We use a proactive investment management process globally across multiple asset classes in our portfolios. While the number and weighting of asset classes in the three portfolios vary according to their objectives, all portfolios are consistent in our thematic diversification.

We may implement the following investment strategies: long-term purchases (held at least a year) and short term purchases (held less than a year) in our portfolios or a combination of both investment strategies to help you meet your investment objectives.

Types of Investments and Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. Obtaining higher rates of return on investments typically entails accepting higher levels of risk. Your Financial Advisor will work with you to identify the balance of risks and rewards that is appropriate and comfortable for you. However, it is still your responsibility to ask questions if you do not understand fully the risks associated with any investment or investment strategy.

Also, while we strive to render our best judgment on your behalf, many economic and market variables beyond our control can affect the performance of your investments and we cannot assure you that your investments will be profitable or assure you that no losses will occur in your investment portfolio. Past performance is one consideration with respect to any investment or investment advisor, but it is not a predictor of future performance.

International investments may involve risk of capital loss from unfavorable fluctuations in currency exchange rates, differences in generally accepted accounting principles, or economic or political instability in other nations.

Your Financial Advisor will discuss with you the investment risks of ETFs to determine the investment objectives that will guide your portfolio selection. Your Financial Advisor will explain and answer any questions you have about these kinds of investments, which present special considerations such as the following:

Exchange-Traded Products and Index Funds

Equity-based exchange traded funds have a similar risk profile to those of equity mutual funds, while fixed income-based ETFs have a risk profile that approximates bond mutual funds. An ETF seeks investment results that correspond generally to the price and yield of an index. You should anticipate that the value of an ETF's shares would decline, more or less, in correlation with any decline in the value of its corresponding index. An ETF's return may not match the return of the index. The ETF may invest in small capitalization, mid capitalization, emerging markets and international companies. Such companies may experience greater price volatility than larger, more established companies. Sometimes referred to as a "tracking error," expenses and other factors may affect the performance of an ETF so that the ETF's performance will not exactly match the performance of their respective underlying indexes.

Voting Client Securities

In general, we do not vote proxies. Your custodian will forward the proxy solicitation materials directly to you.

On occasion, and only when agreed upon in the agreement, we may vote proxies. Rule 206(4)-6 under the Advisors Act addresses our fiduciary obligation to vote proxies in the best interest of our clients and to provide you with information about how your proxies are voted. Pursuant to Rule 206(4)-6, we have adopted written policies and procedures to ensure that your securities are voted in your best interests.

You may obtain a copy of our Proxy Voting Policy and information about how we voted proxies with respect to your securities by contacting us at (248) 283-2520 or by email at info@tagllc.net.

CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGERS

We are the sponsor and the portfolio manager of the wrap fee program. You should notify your Financial Advisor promptly if your financial situation or investment objectives change.

CLIENT CONTACT WITH PORTFOLIO MANAGERS

As a portfolio manager of a wrap fee program, we must inform you if there are any restrictions placed on your ability to contact us. If we provide you with investment advisory services through your Financial Advisor, we do place restrictions on you. In that case, you must contact your Financial Advisor directly with any questions, changes in financial situations or investment objectives.

There are no restrictions placed on the ability of your Financial Advisor to contact us.

ADDITIONAL INFORMATION

Disciplinary Information

As a registered investment adviser, we must inform you of all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of our firm or the integrity of our management. We have no legal or disciplinary events to disclose.

Other Financial Industry Activities and Affiliations

Registered investment advisers are required to disclose information regarding its business activities, other than giving investment advice, its other activities in the financial industry, and any arrangements with related persons that are material to its advisory business or clients. We must inform you if we receive cash or other economic benefits from a third-party in connection with advising our clients. We have no information to disclose.

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

We have adopted a Code of Ethics (the "Code") describing the standards of business conduct we expect all officers, directors, employees, and advisory representatives to follow. The Code also describes certain reporting requirements with which particular individuals associated with or employed by us must comply. We will provide a copy of the Code to you upon request at no charge. You may request a copy of our Code by contacting us at (248) 283-2520 or info@tagllc.net.

Our principals, representatives and employees will often own the same securities recommended to you and may invest in one or more of our portfolios. When invested in the

same portfolios, these accounts are traded concurrently with our other clients in our portfolios. Records are maintained of all such transactions. Orders for clients and orders for our own accounts may sometimes be aggregated or “batched” into one large order. If we aggregate an order for securities transactions, it will be on a portfolio basis such that all accounts invested in accordance with the same portfolio will be traded in a block trade. Aggregated orders may achieve better execution for all participating accounts and those benefits will be fairly allocated among all participating accounts. Each account that participates in an aggregated order will participate at the average share price for all transactions ordered by us in that security on a given business day.

Review of Accounts

Review and Reports of Accounts

Our investment committee reviews the securities that we recommend for investment in the portfolios on an ongoing basis and determines any tactical changes.

Client Reports

You will receive a confirmation of each transaction that occurs in your account; and a statement, at least quarterly, describing activity, including the withdrawal of our fee and values from your custodian. We urge you to review such statements carefully.

You will also receive a quarterly ETF Portfolio Performance Report from your Financial Advisor.

Client Referrals and Compensation

Other Third Party Solicitors

We may engage solicitors to market our services. If you become our client as a result of the solicitor’s efforts, you will receive a separate solicitor’s disclosure brochure describing our solicitation arrangements, the compensation we pay to the solicitor, and the terms of that relationship. You will also receive a copy of this Brochure. Generally, any such agreement will provide for payment to the solicitor of a percentage of the advisory fees we collect from you. Solicitor compensation will be based upon the advisory fees we collect from you, and may be paid during a specified time period after we begin providing advisory services to you or for the entire time that you remain one of our clients. The solicitor may therefore have a financial incentive to recommend our advisory services over other programs or services. The amount of this compensation may be more than the amount the solicitor would receive if you participated in other programs or paid separately for investment advice, brokerage and other services. We do not charge clients introduced by such solicitors any higher advisory fee as a result of our obligation to pay for such solicitation services.

Schwab Advisor Network®

We receive client referrals from Charles Schwab & Co., Inc. through our participation in Schwab Advisor Network®. The Schwab Network is designed to help investors find an independent investment adviser. Schwab is a broker-dealer independent of and unaffiliated with us. Schwab does not supervise us and has no responsibility for the management of our clients' portfolios or our other advice or services. We pay Schwab fees to receive client referrals through the Schwab Network. Our participation in the Schwab Network may raise potential conflicts of interest described below.

We pay Schwab a participation fee on all referred clients' accounts that are maintained in custody at Schwab and a custody fee on all accounts that are maintained at, or transferred to a custodian other than Schwab. The participation fee paid by us is a percentage of the fees the client owes to us or a percentage of the value of the assets in the client's account, subject to a minimum participation fee. We pay Schwab the participation fee for so long as the referred client's account remains in custody at Schwab. The participation fee is billed to us quarterly and may be increased, decreased or waived by Schwab from time to time. The participation fee is paid by us and not by the client. We have agreed not to charge clients referred through the Schwab Network fees or costs greater than the fees or costs we charge clients with similar portfolios who were not referred through the Schwab Network.

We generally pay Schwab a 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 to move the assets away from Schwab. The custody fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The custody fee is higher than the participation fees we generally would pay in a single year. Thus, we will have an incentive to recommend that clients referred to us by Schwab use Schwab for custodial services.

Both the participation and custody fees will be based on assets in accounts of our clients who were referred by Schwab as well as the accounts of family members living in the same household. Thus, we will have an incentive to encourage household members of clients referred through the Schwab Network to maintain custody of their accounts and execute transactions at Schwab.

For accounts of our clients maintained in custody at Schwab, Schwab will not charge the client separately for custody but will receive compensation from us 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, we may have an incentive to cause trades to be executed through Schwab rather than another broker-dealer. We nevertheless, acknowledge our 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 our other clients. Thus, trades for ac-

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

Financial Information

As a registered investment adviser, we are required to provide clients with certain financial information or disclosures about our financial condition if we have financial commitments that impair our ability to meet contractual and fiduciary commitments to our clients. We have not been the subject of a bankruptcy proceeding and do not have any financial commitments that would impair our ability to meet any contractual or fiduciary commitments to you.

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