

Item 1 – Cover Page

Sandlapper Wealth Management, LLC

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Date of Disclosure Brochure: July 2012

This Disclosure Brochure provides information about the qualifications and business practices of Sandlapper Wealth Management, LLC. If you have any questions about the contents of this Disclosure Brochure, please contact Kimberly B. Sparks at (864) 679-4701 or ksparks@sandlapperwealth.com. The information in this Disclosure Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Sandlapper Wealth Management, LLC is registered with the U.S. Securities and Exchange Commission (SEC) as a registered investment adviser and has also notice filed in various states in which services are offered. Registration of an investment adviser or an investment adviser representative does not imply any level of skill or training. The oral and written communications of an adviser provides you with information to help you determine whether or not to hire or continue to retain an adviser.

Additional information about Sandlapper Wealth Management, LLC is also available on the Internet at www.adviserinfo.sec.gov. You can view our firm's information on this website by searching for Sandlapper Wealth Management, LLC or our firm's CRD number: 164443.

Item 2 – Material Changes

Sandlapper Wealth Management, LLC is a newly registered investment adviser and this Disclosure Brochure, dated July 2012, is the first Disclosure Brochure prepared by the firm. In the future, this item will discuss only specific material changes that are made to the Disclosure Brochure and provide readers with a summary of such changes in plain, simple English. We will also reference the date of the last annual update of this Disclosure Brochure.

This Brochure is required to be delivered to you 48 hours before or at the time you hire us, as well as offered to our existing clients on an annual basis within 120 days after the close of our fiscal year end. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. If there are material changes in our business activities, this Brochure will be updated and automatically delivered to you,

If you misplace this Brochure, contact us at (864) 679-4701 and another copy will be provided at no cost. In addition to our Brochure posting on the SEC's website, clients may also retrieve a copy from our website at <http://www.sandlapperwealth.com>.

Additional information about Sandlapper Wealth Management, LLC and persons affiliated with the firm is available on the SEC's website: www.adviserinfo.sec.gov.

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Item 4 – Advisory Business

Sandlapper Wealth Management, LLC (“Advisor” or “we”) is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”) since June 2012. We are a limited liability company formed under the laws of South Carolina, and our owners are Trevor L. Gordon, Jack C. Bixler, Karl D. Leonard and Kimberly B. Sparks.

Introduction

Advisory services are provided through an appropriately licensed and qualified individual who is an investment adviser representative (“representative”) of Advisor. Representatives are typically not employees of Advisor but rather are independent contractors.

Representatives are limited to providing the services and charging advisory fees in accordance with the descriptions detailed in this disclosure brochure. However, the exact services received and the fees charged are specified in an advisory services agreement. The written agreement must be signed by Advisor and clients before any services can be provided.

Description of Advisory Services

The following are brief descriptions of our primary advisory services. A detailed description is provided in **Item 5, Fees and Compensation**, so that clients and prospective clients (“clients” or “you”) can review the services and description of fees more thoroughly.

Asset Management Services. Advisor offers asset management services, which involves providing you with continuous and ongoing supervision over your specified accounts.

Financial Planning & Consulting Services. Advisor offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We also offer consulting services that can be provided as a one-time or as multiple meetings. Financial planning and consultation services do not involve actively managing your accounts.

Referral of Third-Party Money Managers. Advisor also refers clients to third-party money managers offering asset management and other investment advisory services. The third-party managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary.

Limits Advice to Certain Types of Investments

Advisor provides investment advice on any investment product that may be suitable for each client’s specific needs, goals and objectives. These investment products can include, but are not limited to:

- Mutual Funds
- Exchange Traded Funds (ETFs)
- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Foreign Issues
- Warrants
- Corporate Debt Securities
- Commercial Paper
- Certificates of Deposit
- Municipal Securities
- Variable Annuities
- Variable Life Insurance

- US Government Securities
- Options Contracts on Securities
- Options Contracts on Commodities
- Interests in Partnerships Investing in Real Estate
- Interests in Partnerships Investing in Oil and Gas Interests

It is not our typical investment strategy to attempt to time the market, but we may increase cash holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify our investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

Please refer to **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss** for more information.

Tailor Advisory Services to Individual Needs of Clients

Advisor's services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts we manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

When managing client accounts through our firm's asset management services program, we may manage a client's account in accordance with one or more investment models. When client accounts are managed using models, investment selections are based on the underlying model and we do not develop customized (or individualized) portfolio holdings for each client. However, the determination to use a particular model or models is always based on each client's individual investment goals, objectives and mandates.

Client Assets Managed by Advisor

As a newly registered investment advisor, we currently have no assets under management.

Item 5 – Fees and Compensation

In addition to the information provided in **Item 4 – Advisory Business**, this section provides additional details regarding our firm's services along with detailed descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Advisor.

Your representative can set fees within ranges provided by Advisor. As a result, your representative may charge more or less for the same service than another investment adviser representative of Advisor.

Asset Management Services

You can engage us to provide fee-based asset management services where we are responsible for making all investment recommendations and also for making changes to the managed account. If you elect to engage us for this service, we develop an individualized investment program for your account(s).

We actively monitor the account and provide advice regarding buying, selling, reinvesting or holding securities, cash or other investments of the Account.

You must appoint our firm as your investment adviser of record on specified accounts (collectively, the "account"). The account consists only of separate account(s) held by qualified custodian(s) under your name. We recommend that your assets be maintained in a brokerage account with TD Ameritrade, Inc., ("TD Ameritrade"), a registered broker/dealer and member FINRA/SIPC/NFA. However, you may elect to use any qualified custodian you wish. See **Item 12, Brokerage Practices**, for additional discussion on our recommendation and use of TD Ameritrade. We assist you in establishing a managed account through the qualified custodian and the qualified custodian maintains physical custody of all funds and securities of the account. You retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the account. Neither we nor our representatives act as custodian and we do not have access to your funds and securities except to have advisory fees deducted from your account by the custodian with your prior written authorization and then paid to us.

To establish a new account, we require a minimum of \$50,000, although exceptions may be granted to this minimum for relatives, employee or associated persons of Advisor, client referrals or clients in an affiliated business.

We can manage your account on a discretionary or non-discretionary basis. See **Item 16 - Investment Discretion** for additional discussion on discretionary and non-discretionary authority.

We need to obtain certain information from you to determine your financial situation and investment objectives. You are responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions. However we contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct us not to purchase certain securities.

You should understand that we manage investments for other clients and may give them advice or take actions for them or for our personal accounts that is different from the advice we provide to you or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by our firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Fees for asset management services are charged based on a percentage of the assets managed and range from 1.00% to 3.00% per year. Fees are negotiable based on the representative providing the services, the type of client, the complexity of the client's situation, the composition of the account (i.e., equities versus mutual funds), the potential for additional account deposits, the relationship of the client with Advisor and the representative, and the total amount of client's assets under management.

Fees are billed quarterly in advance (at the start of the quarter) and calculated based on the fair market value of your account as of the last business day of the previous quarter. For accounts opened mid-quarter, fees are prorated based on the number of days service is provided during the initial billing period. Prorated fee are based on the value of the account when services commence and are due immediately and deducted from the account when services commence.

Advisory fees are deducted from your account and paid directly to us by the qualified custodian(s) of your account. You must authorize your qualified custodian(s) in writing to have fees deducted from your account and paid directly to us.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the custodian. Advisor does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than Advisor in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Our management fees are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

Advisor believes that its annual fee is reasonable in relation to: (1) services provided and (2) fees charged by other investment advisers offering similar services/programs. However, our annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Asset management services continue until terminated by either party by giving thirty (30) days written notice to the other party. During that time period, Advisor continues any work previously begun but does not begin any additional services unless specifically instructed to do so by the client. Fees are determined on a pro rata basis using the number of days services are actually provided during the final period. Any prepaid, unearned fees are promptly refunded by Advisor to the client.

Variable Sub-Account Management Services

Under our sub-account management services, Advisor manages your variable annuity or variable life contract by selecting, monitoring and exchanging as necessary between sub-accounts available from the insurance company issuing the variable annuity or variable life contract.

Under this program, we assist you in completing a questionnaire which details your financial goals, risk tolerance and time horizon. You have the opportunity to list on your investment advisory agreement any reasonable restrictions on the sub-accounts that may be utilized by Advisor. You are responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions. However, we contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives.

Once you have provided us with the necessary information and made the appropriate authorizations, Advisor utilizes limited discretionary authority to select or exchange among the sub-accounts available under your variable annuity or variable life contract in accordance with your disclosed investment objective and risk tolerance. Advisor may utilize signal providers for guidance regarding investment strategies, asset allocations and timing of exchanges. Advisor monitors your sub-accounts as necessary and in accordance with your investment objective and risk tolerance.

You incur an annual fee which is based on a percentage of the market value of your variable annuity and variable life contracts under Advisor's management. The annual fee ranges from 1.00% to 3.00% and is negotiable based on the representative providing the services, the type of client, the complexity of the client's situation, the composition of the account, the potential for additional account deposits, the

relationship of the client with Advisor and the representative, and the total amount of client's assets under management. The exact annual fee charged by Advisor is agreed upon prior to commencing services and stated in the advisory services agreement. Advisor reserves the right to modify its fee schedule in the future by providing you with 30 days advance notice of any modification.

Fees are billed quarterly in advance (at the start of the quarter) and calculated based on the fair market value of your variable annuity and variable life contracts as of the last business day of the previous quarter. For contracts established mid-quarter, fees are prorated based on the number of days service is provided during the initial billing period. Prorated fees are based on the value of the contracts when services commence and are due immediately and deducted from a designated account when services commence.

Advisory fees are deducted from your account and paid directly to us by the qualified custodian(s) of your account. You must authorize your qualified custodian(s) in writing to have fees deducted from your account and paid directly to us.

Under this program, the insurance companies issuing your variable annuities and variable life contracts will charge management expenses in addition to the investment advisory fee charged by Advisor. In addition, your variable annuity and/or variable life contract may be subject to exchange fees and surrender charges. Advisor does not share in these fees charged by your insurance company. Please refer to the prospectus of your variable annuity and/or variable life contract for more details about the insurance company's management expenses and any exchange or surrender fees.

Sub-account management services continue until terminated by either party by giving thirty (30) days written notice to the other party. During that time period, Advisor continues any work previously begun but does not begin any additional services unless specifically instructed to do so by the client. Fees are determined on a pro rata basis using the number of days services are actually provided during the final period. Any prepaid, unearned fees are promptly refunded by Advisor to the client.

Financial Planning & Consulting Services

When providing financial planning and consulting services, the role of your representative is to find ways to help you understand your overall financial situation and help you set financial objectives. Our financial planning and consulting services do not involve implementing any transaction on your behalf or the active and ongoing monitoring or management of your investments or accounts. You have the sole responsibility for determining whether to implement our financial planning and consulting recommendations. If you would like to implement any of our investment recommendations through us or retain us to actively monitor and manage your investments, you must execute a separate written agreement with Advisor for our asset management services.

Financial Plans

Advisor offers financial planning services, which involve preparing a written financial plan covering specific or multiple topics. We provide full written financial plans, which typically address the following topics: investment planning, retirement planning, insurance planning, tax planning, education planning, portfolios review, asset allocation, and real estate planning. We also provide modular written financial plans which only cover those specific areas of concern mutually agreed upon by you and us. A modular written financial plan is limited or segmented and does not involve the creation of a full written financial plan. You should be aware that there are important issues that may not be taken into consideration when your investment adviser representative develops his or her analysis and recommendations under a modular written financial plan. Written financial plans do not include specific recommendations of individual securities.

Consultations

We also offer consultations in order to discuss financial planning issues when you do not need a written financial plan. We offer a one-time consultation, which covers mutually agreed upon areas of concern related to investments or financial planning. We also offer "as-needed" consultations, which are limited to consultations in response to a particular investment or financial planning issue raised or request made by you. Under an "as-needed" consultation, you must identify those particular issues for which you are seeking our advice or consultation.

In addition, we offer ongoing advisement consultations to participants in retirement plans (401(k) plans, profit sharing plans, etc.). When providing these services, we review your financial situation, goals and objectives as well as the investment options available in the retirement plan. We review your retirement plan account at quarterly intervals and make recommendations from the list of available investment options in your retirement plan account as are deemed appropriate and consistent with your stated investment objectives and risk tolerance. These services do not constitute asset management services for your retirement plan account; we do not have investment discretion or trading authority over your retirement plan account. You determine whether or not to implement our advice. It is your responsibility to implement any trades in your retirement plan account.

Fees for Financial Planning and Consultation Services

Fees for financial planning and consultation services can be charged as an hourly or a fixed fee, as determined jointly by client and Advisor. Advisement consultations are billed as a percentage of the assets under advisement. All fees are billed directly to you and you should notify Advisor within ten (10) days of receiving an invoice if you have questions about or dispute any billing entry.

Hourly fees generally range from \$100 to \$500 per hour and are negotiable based on the type of client, the services requested, the representative providing advice, the complexity of the client's situation, other advisory services provided and the relationship of the client with the Advisor and representative. Before commencing financial planning or consultation services, Advisor provides an estimate of the approximate hours needed to complete the requested services. If we anticipate exceeding the estimated hours required, we contact you to receive authorization to provide additional services. You are charged the actual time expended on the services. Any unpaid hourly fees are due immediately upon completion and delivery of the financial plan or completion of the consultations.

Fees can also be charged as a fixed fee and the maximum fee generally does not exceed \$10,000. The agreed upon fee is disclosed in the advisory services agreement. At our representative's sole discretion, you may be required to pay a retainer of up to 50% of the agreed upon fee at the time you sign an agreement with Advisor. At no time will Advisor require payment of more than \$1,200 in fees more than six months in advance. Upon completion and delivery of the financial plan or completion of the consultation, the fixed fee is considered earned by Advisor and any unpaid amount is immediately due.

For advisement consultations, services are provided for an annual fee of 1.00% of the assets under advisement, billable quarterly in arrears. Fees are calculated based upon the value of the assets in your retirement plan account as of the last day of the previous quarter. Fees are payable upon receipt of a billing statement from us.

There is no minimum fee charged for financial planning or consultation services and, at our sole discretion, we may waive fees for services based on the client involved, the client's relationship with Advisor or the representative and the requested services.

Additional Fee Information

To the extent Advisor engages an outside professional (i.e. attorney, independent investment adviser or accountant) while providing financial planning and consulting services to you, Advisor is responsible for payment of the fees for the services of the outside professional, and you are required to reimburse

Advisor for such payments. To the extent that you personally engage such an outside professional, you are responsible for payment of the fees for the outside professional's services. Advisor is not required to reimburse you for such payments. Fees for the services of an outside professional (i.e. attorney, independent investment adviser or accountant) are in addition to and separate from the fees charged by Advisor, and you are responsible for the payment of those fees. In no event will the services of an outside professional be engaged without your express approval.

All fees paid to Advisor for services are separate and distinct from the commissions, fees and expenses charged by insurance companies associated with any disability insurance, life insurance and annuities subsequently acquired by you. If you sell or liquidate certain existing securities positions to acquire any insurance or annuity, you may also pay a commission and/or deferred sales charges in addition to the financial planning and consulting fees paid to Advisor and any commissions, fees and expenses charged by the insurance company for subsequently acquired insurance and/or annuities.

All fees paid to Advisor for advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each mutual fund's prospectus. These fees will generally include a management fee, other fund expenses and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge.

If you retain Advisor to implement the recommendations provided under this service, Advisor may recommend load or no-load mutual funds that charge you 12(b)-1 fees. Any 12(b)-1 fees are offset.

All fees paid to Advisor for financial planning and consulting services are separate and distinct from the commissions charged by a broker/dealer or asset management fees charged by an investment adviser to implement such recommendations. Lower fees for comparable services may be available from other sources.

Commission and Fee Offset

Your representative may also be licensed as a independent insurance agent and/or a registered representative with a broker/dealer. If you elect to have your representative implement our recommendations in his or her separate capacity as a registered representative, your representative may waive or reduce the advisory fee charged by the amount of the commissions received. Any fee reduction is at the sole discretion of the representative and will not exceed 100% of the securities commission received.

If you elect to have your representative implement our recommendations in his or her separate capacity as an insurance agent, your representative may waive or reduce the advisory fee charged for these services by the amount of the commissions received. Any fee reduction is at the sole discretion of the representative and will not exceed 100% of the insurance commission received.

If you elect to implement our recommendations through one of our other advisory programs, Advisor may waive or reduce a portion of the advisory fees charged by the fees received for the other advisor program services. Any fee reduction is at the sole discretion of your representative and disclosed to you prior to contracting for additional investment advisory services.

Termination

Financial planning services terminate upon delivery of the written financial plan and one-time consultation services terminate upon completion of the consultation. As-needed or ongoing consultations terminate upon Advisor or client providing termination notice to the other party. However, either party can terminate any service at any time by providing written notice to the other. Termination is effective immediately upon receipt. You are responsible for fees incurred to the effective date of termination. If fees are charged hourly, fees are calculated by multiplying the number of hours expended by the agreed upon hourly rate. Fixed fees are calculated by multiplying the percentage of work completed by Advisor (and as determined

by Advisor) by the agreed upon fee. Percentage fees are determined on a pro rata basis using the number of days services are actually provided during the final quarter. Any prepaid but unearned fees are refunded to you and we provide you with a detailed billing statement. Any fees due from you are payable immediately upon receipt of our billing statement.

Newsletters

Advisor occasionally prepares general, educational and informational newsletters. Newsletters are always offered on an impersonal basis and do not focus on the needs of a specific individual. Newsletters are provided to clients and prospective clients free of charge.

Seminars and Workshops

Advisor may occasionally provide seminars in areas such as financial planning, retirement planning, estate planning, college planning and charitable planning. Seminars are always offered on an impersonal basis and do not focus on the individual needs of participants. No fees are charged for seminars. However, if we are hired by larger groups, such as corporations, we reserve the right to charge fees to cover the expenses incurred by us for presenting the seminars. In this case, all fees and payment provisions are fully disclosed to you prior to the seminar being presented.

Advisor offers educational, informative and motivational workshops to the public as well as to associations, family foundations and employers. Workshops are always offered on an impersonal basis and do not focus on the individual needs of the participants. There is no charge for these workshops.

Third-Party Money Managers

Advisor also refers clients to third-party money managers offering asset management and other investment advisory services. The third-party managers are responsible for continuously monitoring client accounts and making trades in client accounts when necessary. As a result of the referral, we are paid a portion of the fee charged and collected by the third-party money managers in the form of solicitor fees. Each solicitation arrangement is performed pursuant to a written solicitation agreement and is in compliance with SEC Rule 206(4)-3 and applicable state securities rules and regulations.

Under this program, we assist you with identifying your risk tolerance and investment objectives. We recommend third-party money managers in relation to your stated investment objectives and risk tolerance, and you may select a recommended third-party money manager or model portfolio based upon your needs. You must enter into an agreement directly with the third-party money manager who provides your designated account with asset management services.

We are available to answer questions that you may have regarding your account and act as the communication conduit between you and the third-party money manager. The third-party money manager may take discretionary authority to determine the securities to be purchased and sold for your account. We do not have any trading authority with respect to your designated account managed by the third-party money manager.

Although we review the performance of numerous third-party investment adviser firms, we enter into only a select number of relationships with third-party investment adviser firms that have agreed to pay us a portion of the overall fee charged to our clients. Therefore, Advisor has a conflict of interest because we only recommend third-party investment advisers that agree to compensate us for referrals of our clients.

Clients are advised that there may be other third-party managed programs, not recommended by our firm, that are suitable for the client and that may be more or less costly than arrangements recommended by our firm. No guarantees can be made that a client's financial goals or objectives will be achieved by a third-party investment adviser recommended by our firm. Further, no guarantees of performance can ever be offered by our firm.

Third-party managers generally have account minimum requirements that vary among third-party money managers. Account minimums are generally higher on fixed income accounts than for equity based accounts. A complete description of the third-party money manager's services, fee schedules and account minimums is disclosed in the third-party money manager's disclosure brochure which is provided to you prior to or at the time an agreement for services is executed and the account is established.

The actual fee charged to you varies depending on the third-party money manager. All fees are calculated and collected by the third-party money manager, who is responsible for delivering to us our portion of the fee paid by you.

Under this program, you may incur additional charges including, but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges and IRA and qualified retirement plan fees.

We have a conflict of interest by only offering those third-party money managers that have agreed to pay a portion of their advisory fee to us and have met the conditions of our due diligence review. There may be other third-party money managers that may be suitable for you that may be more or less costly. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered.

Account Aggregation Services

Advisor utilizes various web-based financial and wealth planning systems. Clients electing to use these services can select from a variety of available programs, including:

- Planning Center (allowing unlimited scenario planning);
- Retirement Income Tool;
- Vault (storage for client documents such as wills, insurance policies, etc.);
- Financial Connections (allowing aggregation of multiple accounts with daily updating of linked accounts); and
- Alerts to upcoming deadlines and important events.

If you elect to use these programs you are required to provide us the information and documentation to be downloaded and/or input into the system. You are provided with a unique user name and password and are able to monitor your portfolio performance, view balances, run "what if" scenarios and store/view important papers and documents.

Fees charged for this service do not exceed \$50 per month and depend upon the programs you select, the complexity of your situation and other advisory services provided.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. We do not charge or accept performance-based fees.

Item 7 – Types of Clients

Advisor generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals

- Banks or thrift institutions
- Trusts, estates, or charitable organizations
- Corporations or business entities other than those listed above

You are required to execute a written agreement with Advisor specifying the particular advisory services in order to establish a client arrangement with Advisor.

Minimum Investment Amounts Required

Advisor requires a minimum account value of \$50,000 in order to open an account. Exceptions may be granted to this minimum for relatives, employee or associated person, client referral, client in affiliated business. For sub-account management services, Advisor also has a minimum value requirement of \$50,000 for a variable annuity and/or variable life contract.

There is no minimum fee for financial planning and/or consulting services. Third-party money managers may have minimum account and minimum fee requirements in order to participate in their programs. Each-third party money manager will disclose its minimum account size and fees in its Form ADV Part 2A Disclosure Brochure.

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

Methods of Analysis

Advisor uses the following methods of analysis in formulating investment advice:

Charting - This is a set of techniques used in technical analysis in which charts are used to plot price movements, volume, settlement prices, open interest and other indicators, in order to anticipate future price movements. Users of these techniques, called chartists, believe that past trends in these indicators can be used to extrapolate future trends.

Charting is likely the most subjective analysis of all investment methods since it relies on proper interpretation of chart patterns. The risk of reliance upon chart patterns is that the next day's data can always negate the conclusions reached from prior days' patterns. Also, reliance upon chart patterns bears the risk of a certain pattern being negated by a larger, more encompassing pattern that has not shown itself yet.

Cyclical – This method analyzes the investments sensitive to business cycles and whose performance is strongly tied to the overall economy. For example, cyclical companies tend to make products or provide services that are in lower demand during downturns in the economy and in higher demand during upswings. Examples include the automobile, steel, and housing industries. The stock price of a cyclical company will often rise just before an economic upturn begins, and fall just before a downturn begins. Investors in cyclical stocks try to make the largest gains by buying the stock at the bottom of a business cycle, just before a turnaround begins.

While most economists and investors agree that there are cycles in the economy that need to be respected, the duration of such cycles is generally unknown. An investment decision to buy at the bottom of a business cycle may actually turn out to be a trade that occurs before or after the bottom of the cycle. If done before the bottom, then downside price action can result prior to any gains. If done after the bottom, then some upside price action may be missed. Similarly, a sell decision meant to occur at the top of a cycle may result in missed opportunity or unrealized losses.

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, Advisor gathers information from financial newspapers and magazines, inspection of corporate activities, research materials prepared by others, corporate rating services, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

Investment Strategies

Advisor uses the following investment strategies when managing client assets and/or providing investment advice:

- Long term purchases. Investments held at least a year.
- Short term purchases. Investments sold within a year.

- Frequent trading. This strategy refers to the practice of selling investments within 30 days of purchase.

Margin transactions. When an investor buys a stock on margin, the investor pays for part of the purchase and borrows the rest of the purchase price from a brokerage firm. For example, an investor may buy \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from Advisor.

Tactical asset allocation. Allows for a range of percentages in each asset class (such as Stocks = 40-50%). The ranges establish minimum and maximum acceptable percentages that permit the investor to take advantage of market conditions within these parameters. Thus, a minor form of market timing is possible, since the investor can move to the higher end of the range when stocks are expected to do better and to the lower end when the economic outlook is bleak.

Strategic asset allocation. Calls for setting target allocations and then periodically rebalancing the portfolio back to those targets as investment returns skew the original asset allocation percentages. The concept is akin to a "buy and hold" strategy, rather than an active trading approach. Of course, the strategic asset allocation targets may change over time as the client's goals and needs change and as the time horizon for major events such as retirement and college funding grow shorter.

Primarily Recommend One Type of Security

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through our investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic 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 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 the 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.

- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.
- ETF and Mutual Fund Risk – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- Margin Risk - When you purchase securities, you may pay for the securities in full or borrow part of the purchase price from your account custodian or clearing firm. If you intended to borrow funds in connection with your Account, you will be required to open a margin account, which will be carried by the clearing firm. The securities purchased in such an account are the clearing firm's collateral for its loan to you.

If those securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and as a result, the brokerage firm is required to take action in order to maintain the necessary level of equity in your account. The brokerage firm may issue a margin call and/or sell other assets in your account.

It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin account that may be established as part of the Asset Management Agreement established between you and Advisor and held by the account custodian or clearing firm.

These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The account custodian or clearing firm can force the sale of securities or other assets in your account.
- The account custodian or clearing firm can sell your securities or other assets without contacting you.
- You are not entitled to choose which securities or other assets in your margin account may be liquidated or sold to meet a margin call.
- The account custodian or clearing firm may move securities held in your cash account to your margin account and pledge the transferred securities.
- The account custodian or clearing firm can increase its "house" maintenance margin requirements at any time and they are not required to provide you advance written notice.
- You are not entitled to an extension of time on a margin call.

Item 9 – Disciplinary Information

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of our business or management personnel's integrity.

Item 10 – Other Financial Industry Activities and Affiliations

Advisor is **not** and does **not** have a related person that is:

- An investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
- Another investment adviser or financial planner
- A futures commission merchant, commodity pool operator, or commodity trading advisor
- A banking or thrift institution
- A lawyer or law firm
- A pension consultant.

We are an independent registered investment registered adviser and only provide investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us.

Broker/Dealer

SANDLAPPER Securities, LLC is a broker/dealer registered with FINRA and the SEC. Advisor's owners are also the owners of SANDLAPPER Securities, LLC and, therefore, this broker/dealer is an affiliated person.

Registered Representative of a Broker-Dealer

Our representatives are also registered representatives of SANDLAPPER Securities, LLC, a securities broker-dealer, and you may work with your representative in this separate capacity. When acting as a registered representative, your representative may sell general securities products such as stocks, bonds, mutual funds, exchange-traded funds and variable annuity and variable life products to you. They can receive a commission when selling these products. As such, your representative may suggest that you implement investment advice by purchasing securities products through a commission-based brokerage account in addition to or in lieu of a fee-based investment advisory account. Receiving commissions creates an incentive to recommend those products for which your representative receives a commission as a registered representative. Consequently, the objectivity of the advice rendered to you could be biased.

You are under no obligation to use the services of our representatives in this separate capacity or to use SANDLAPPER Securities, LLC and can select any broker/dealer you wish to implement securities transactions. If you select our representatives to implement securities transactions, they must use SANDLAPPER Securities, LLC because they are registered representatives of that broker/dealer. Prior to effecting any such transactions, you are required to enter into a new account agreement with SANDLAPPER Securities, LLC. The commissions charged by SANDLAPPER Securities, LLC may be higher or lower than those charged by other broker/dealers. In addition, the registered representatives may also receive additional ongoing 12b-1 fees for mutual fund purchases from the mutual fund company during the period that you maintain the mutual fund investment.

Third-Party Money Managers

As described in **Item 5 - Fees and Compensation**, we may use the services of independent, third-party money managers.

We may recommend clients work directly with third-party money managers. We do not recommend third party money managers unless they are registered or are exempt from registration as investment advisors in your state of residence. When we refer clients to a third party money manager, we receive a portion of the fee charged by the third party money manager. Therefore, we have a conflict of interest because we only recommend third party money managers that agree to compensate us by paying us a portion of the fees billed to your account managed by the third party money manager.

Insurance Agent

You may work with your investment adviser representative in his or her separate capacity as an insurance agent. When acting in this separate capacity, the representative may sell general disability insurance, life insurance, annuities and other insurance products and receive commissions when doing so. As such, your representative may suggest that you implement our recommendations by purchasing insurance products. Receiving commissions creates an incentive to recommend those products for which your representative receives a commission as an insurance agent. Consequently, the advice rendered to you could be biased. You are under no obligation to implement any insurance or annuity transaction through your investment adviser representative.

Real Estate Agent

Joshua Ungerec and John Harvey are representatives with Advisor and licensed real estate agents in the State of California. They receive separate compensation when providing these services. Clients needing assistance with real estate services may be referred to them but are not obligated to use the services of either Mr. Ungerec or Mr. Harvey.

Accounting Services

John Harvey is an associated person of Advisor and is also a licensed Certified Public Accountant with Expat CPA in California. Clients needing assistance with tax preparation and/or accounting services may be referred to him but are not obligated to use his services.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

Code of Ethics Summary

According to the *Investment Advisers Act of 1940*, an investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Advisor has established a Code of Ethics to comply with the requirements of Section 204(A)-1 of the *Investment Advisers Act of 1940* that reflects its fiduciary obligations and those of its supervised persons. The Code of Ethics also requires compliance with federal securities laws. The Code of Ethics covers all individuals that are classified as “supervised persons.” All employees, officers, directors and investment adviser representatives are classified as supervised persons. Advisor requires its supervised persons to consistently act in clients’ best interests in all advisory activities. Advisor imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm’s fiduciary responsibilities to clients. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of Advisor’s Code of Ethics. If you wish to review the Code of Ethics in its entirety, you should send us a request and, upon receipt, we will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

Advisor or our associated persons may buy or sell investment products for their personal accounts that are identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Advisor that all persons associated in any manner with our firm must place clients' interests ahead of their own when implementing personal investments. Advisor and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with our firm unless the information is also available to the investing public upon reasonable inquiry.

We are now and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for our representatives, employees and their immediate family members (collectively, associated persons):

- Associated persons cannot prefer their own interests to that of the client.
- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted by the Chief Compliance Officer of Advisor.

Any associated person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

You are under no obligation to act on the financial planning recommendations of Advisor. If we assist you in the implementation of any recommendations, we are responsible to ensure that you receive the best execution possible. Best execution does not necessarily mean that clients receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with our existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back office services, technology and pricing of services offered.

Brokerage Recommendations

At least annually, we review alternative custodians in the marketplace for comparison to the currently used custodian, evaluating criteria such as overall expertise, cost competitiveness, and financial condition. Quality of execution for custodians will be reviewed through trade journal evaluations.

The primary factor in suggesting a broker/dealer or custodian is that the services of the recommended firm are provided in a cost-effective manner. While quality of execution at the best price is an important determinant, best execution does not necessarily mean lowest price and it is not the sole consideration. The trading process of any broker/dealer and money manager suggested by Advisor must be efficient, seamless, and straight-forward. Overall custodial support services, trade correction services, and statement preparation are some of the other factors determined when suggesting a broker/dealer.

Advisor recommends that you establish brokerage accounts with TD Ameritrade through their Institutional Program. Advisor is independently owned and operated and not affiliated with TD Ameritrade. TD Ameritrade offers services which include custody of securities, trade execution, clearance and settlement of transactions.

TD Ameritrade provides us with access to their institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors at no charge to them so long as the independent investment advisors maintain a minimum amount of assets with the custodian.

TD Ameritrade does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed by recommended money managers through the custodian or that settle into a custodian account.

These benefits include, but are not necessarily limited to:

- Receipt of duplicate client confirmations and bundled duplicate statements
- Access to a trading desk
- Access to block trading which provides the ability to aggregate securities transactions and allocate the appropriate shares to client accounts
- The ability to have investment advisory fees deducted directly from client accounts
- Access to an electronic communications network for client order entry and account information
- Access to mutual funds that generally require significantly higher minimum initial investments or are generally only available to institutional investors.

TD Ameritrade also makes available to us other products and services that benefit our firm but may not benefit clients' accounts. Some of these other products and services assist us in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmation and account statements; provide research, pricing information and other market data; facilitate payment of the firm's fees from its clients' accounts; and assist with back-office functions; record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained at a recommended custodian. Advisor is also providing other services intended to help our firm manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing.

Directed Brokerage

Clients are allowed to select the broker/dealer that will be used for their accounts. Clients directing the use of a particular broker/dealer or other custodian must understand that we may not be able to obtain the best prices and execution for the transaction. Under a client-directed brokerage arrangement, clients may receive less favorable prices than would otherwise be the case if the client had not designated a particular broker/dealer or custodian. Directed brokerage account trades are generally placed by Advisor after

effecting trades for other clients of Advisor. In the event that a client directs Advisor to use a particular broker or dealer, Advisor may not be authorized to negotiate commissions and may be unable to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to clients who direct Advisor to use a particular broker or dealer versus clients who do not direct the use of a particular broker or dealer.

Soft Dollar Benefits

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

Advisor does not have a soft dollar agreement with a broker/dealer or a third-party.

Handling Trade Errors

Advisor has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is Advisor's policy to correct trade errors in a manner that is in the best interests of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Advisor if the error is caused by Advisor. If the error is caused by the broker-dealer, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. Advisor may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons). Advisor will never benefit or profit from trade errors.

Block Trading Policy

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by our firm when Advisor believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

Advisor uses the pro rata allocation method for transaction allocation. Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. Advisor will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which Advisor or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Neither we nor our associated persons receive any additional compensation as a result of block trades.

Agency Cross Transactions

Our associated persons are prohibited from engaging in agency cross transactions, meaning we cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

Item 13 – Review of Accounts

Account Reviews

Managed accounts are reviewed at least quarterly. Accounts established and maintained with other third-party money managers are reviewed at least quarterly, usually when statements and/or reports are received from the money manager.

Financial planning services terminate upon presentation of the written plan. One-time consultation services terminate upon completion of the consultations. As-needed and ongoing consultation services may include a review of client accounts. Advisor recommends that all clients have their financial plans reviewed and updated at least annually. If clients elect to undertake this review and update, a new client agreement may be required and additional fees may be required.

While the calendar is the main triggering factor, reviews can also be conducted at client request. Account reviews include a review of investment strategy and objectives and making an adjustment if strategy and objectives have changed. All reviews are conducted by Kimberly Sparks.

Statements and Reports

For asset management accounts, clients are provided with transaction confirmation notices and regular quarterly account statements directly from the qualified custodian. You receive statements from your third party money manager custodian at least quarterly.

Financial planning clients do not receive any report other than the written plan originally contracted for and provided by Advisor.

You are encouraged to always compare any reports or statements provided by us or third-party money manager against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact our firm and the qualified custodian preparing the statement.

Item 14 – Client Referrals and Other Compensation

Advisor does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in **Item 5 – Fees and Compensation** of this disclosure brochure. Advisor receives no other forms of compensation in connection with providing investment advice.

However, as disclosed under **Item 12 – Brokerage Practices**, Advisor participates in TD Ameritrade's institutional customer program and recommends TD Ameritrade to clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its clients, although we receive economic benefits that are typically not available to TD Ameritrade retail investors through our participation in the program. These benefits include the following products and services (provided without cost or at a discount):

- Receipt of duplicate client statements and confirmations
- Research related products and tools
- Consulting services
- Access to a trading desk serving our participants
- Access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts)

- The ability to have advisory fees deducted directly from Client accounts
- Access to an electronic communications network for Client order entry and account information
- Access to mutual funds with no transaction fees and to certain institutional money managers
- Discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third-party vendors

TD Ameritrade may also pay for business consulting and professional services received by our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit your accounts. These products or services may assist Advisor in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, we endeavor at all times to put clients' interests first. You should be aware, however, that the receipt of economic benefits by Advisor or our related persons in and of itself creates a potential conflict of interest and may indirectly influence Advisor's choice of TD Ameritrade for custody and brokerage services.

Advisor also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment advisors participating in the program. Specifically, the Additional Services include access to on-line investment research services at no cost. TD Ameritrade provides the Additional Services to Advisor in its sole discretion and at its own expense, and we do not pay any fees to TD Ameritrade for the Additional Services. Advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

Advisor's receipt of Additional Services raises potential conflicts of interest. In providing Additional Services to Advisor, TD Ameritrade most likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our Client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with Advisor, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, Advisor may have an incentive to recommend to you that the assets under management by Advisor be held in custody with TD Ameritrade and to place transactions for your accounts with TD Ameritrade. Advisor's receipt of Additional Services does not diminish its duty to act in your best interests, including seeking best execution of trades for your accounts.

Please see **Item 5 - Fees and Compensation**, **Item 10 - Other Financial Industry Activities and Affiliations** and **Item 12 - Brokerage Practices**, for additional discussion concerning other compensation.

We may from time to time receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as client appreciation events, advertising, publishing, and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for which sales have been made or for which it is anticipated sales will be made. This creates a conflict of interest in that there is an incentive to recommend certain products and investments based on the receipt of this compensation instead of what is in the best interest of our clients. We attempt to control for this conflict by always basing investment decisions on the individual needs of our clients.

Item 15 – Custody

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment adviser has the ability to access or control client funds or securities, the investment adviser is deemed to have custody and must ensure proper procedures are implemented.

Advisor is deemed to have custody of client funds and securities whenever Advisor is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody Advisor will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Advisor is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. 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, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Advisor. When clients have questions about their account statements, they should contact Advisor or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

When providing asset management services, Advisor maintains trading authorization over your Account and can provide management services on a discretionary or non-discretionary basis. When discretionary authority is granted, we have the authority to determine the type of securities and the amount of securities that can be bought or sold for your portfolio without obtaining your consent for each transaction. However, it is Advisor's policy to consult with you prior to making significant changes in the account even when discretionary trading authority is granted.

If you decide to grant trading authorization on a non-discretionary basis, we are required to contact you prior to implementing changes in your account. Therefore, you are contacted and required to accept or reject our investment recommendations including:

- The security being recommended
- The number of shares or units
- Whether to buy or sell

Once the above factors are agreed upon, we are responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If your accounts are managed on a non-discretionary basis and we are not able to reach you or you are slow to respond to our request, it can have an adverse impact on the timing of trade implementations and we may not achieve the optimal trading price.

You have the ability to place reasonable restrictions on the types of investments that may be purchased in your account. You may also place reasonable limitations on the discretionary power granted to Advisor so long as the limitations are specifically set forth or included as an attachment to the client agreement.

For sub-account management services, when you have granted written discretionary authority, Advisor exercises limited discretionary authority to exchange sub-accounts available in the variable annuity and/or variable life contract without contacting you in advance to obtain your consent for each exchange. Under our sub-account management services, you have the ability to place reasonable restrictions on the available sub-accounts utilized by Advisor. You may also place reasonable limitations on the discretionary

power granted to Advisor so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

Proxy Voting

Advisor does not vote proxies on behalf of clients. You receive proxies directly from the qualified custodian or transfer agent; we do not provide you with the proxies. You are encouraged to read through the information provided with the proxy-voting documents and make a determination based on the information provided. Although we do not vote client proxies, if you have a question about a particular proxy feel free to contact us. However, you have the ultimate responsibility for making all proxy-voting decisions.

With respect to any of your assets subject to sub-advisory relationships, we do not perform proxy-voting services on your behalf. The sub-adviser vote proxies for the investments subject to a sub-advisory arrangement. For a description of the sub-adviser's proxy voting policy, you should refer to each sub-adviser's Form ADV Part 2A, Item 17. You may request a complete copy of sub-adviser's proxy voting policies and procedures as well as information on how your proxies were voted by contacting Advisor at the address or phone number indicated on Page 1 of this disclosure document.

With respect to assets managed by a third-party money manager, we do not vote the proxies associated with these assets. You need to refer to each third-party money manager's disclosure brochure to determine whether the third-party money manager will vote proxies on your behalf. You may request a complete copy of third-party money manager's proxy voting policies and procedures as well as information on how your proxies were voted by contacting the third-party money manager or by contacting Advisor at the address or phone number indicated on Page 1 of this disclosure document.

Item 18 – Financial Information

This item is not applicable to this brochure. Advisor does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, Advisor has not been the subject of a bankruptcy petition at any time.

Business Continuity Plan Summary

Sandlapper Wealth Management, LLC's Business Continuity Plan discusses how we will respond to events that significantly disrupt our business (fire, flood, tornado, terrorist attack). Since the timing and impact of a significant business disruption is unpredictable, we will have to be flexible in responding to actual events as they occur. With that in mind, we are providing you with this information on our business continuity plan. For more specific information, please refer to our website:

Our custodian, TD Ameritrade, backs up our important records in a geographically separate area. While every emergency situation poses unique problems based on external factors, such as time of day and the severity of the disruption, we have been advised by our custodian that its objective is to restore its own operations and be able to complete existing transactions and accept new transactions and payments. Your order and requests for funds and securities could be delayed during this period.

Significant business disruptions can vary in their scope, such as only our firm, a single building housing our firm, the business district where our firm is located, the city where we are located or the whole region. Within each of these areas, the severity of the disruption can also vary from minimal to severe. In a disruption to only our firm or a building housing our firm, we will transfer our operations to our alternate location when needed and expect to recover and resume business within one day. In a disruption affecting our business district, city or region, we will transfer our operations to a site outside of the affected area and recover and resume business within one day. In either situation, we plan to continue in business, transferring operations to our custodian if necessary, and notifying clients through our website. If the significant business disruption is so severe that it prevents us from remaining in business, we will assure our client's prompt access to their funds and securities.

Customer Privacy Policy Notice

At Sandlapper Wealth Management, LLC, we recognize the importance of respecting the privacy of our customers. Your customer information is carefully managed within our company and we want you to know the steps we take to protect the privacy of the customer information we collect.

This policy covers Customer Information. Customer Information means information personally identifiable with a specific customer, or about a customer's current, or former relationship with our company. We are providing this policy to you in accordance with the Federal Financial Privacy Law, 5 U.S.C. 6801-6810.

We do not and will not ever sell customer information.

We do not provide customer information to persons or entities outside of the Sandlapper Wealth Management, LLC ("SWM") affiliated companies who are doing business for their own marketing purposes.

We afford prospective customers and former customers the same protections as existing customers in regard to the use of personal information.

We never share any information with any entity or other program co-owners/investors without your consent outside of what is a matter of public record.

I. Information Gathering

Due to the nature of our investment and service programs we must obtain non-public personal information about you which may include the following:

- Information on client new account forms, applications, questionnaires, or other forms including name, address, social security number, assets and income
- Credit and background authorizations as required by lending agencies
- Credit worthiness, credit history and other information
- Other information as deemed necessary under the Patriot Act and Sarbanes-Oxley

II. Information That We Share

We use or share information in a limited and carefully controlled manner. We use or share your information in order to identify and protect you against fraud, enable us to complete transactions quickly and efficiently, determine the right services to meet your needs and to provide you with proper customer service. Examples of customer information that we may share include:

- Information required by lending and/or regulatory agencies as part of the overall investment process

- Information we receive from you, such as your name, address, social security number, assets, and income, as provided, for example, on account applications
- Information we receive from affiliates, credit reporting agencies and other third parties not affiliated with us, such as your creditworthiness and credit history

Depending on the type of relationship you have with SWM, we may share information with other SWM affiliates, as well as with unaffiliated third parties as set forth below:

A. Sharing Information with SWM Affiliates

We share information about you with other SWM affiliates, as permitted by law, in order to provide you with proper investor relations and meet mandated regulatory reporting requirements.

B. Sharing Information with Third Parties Not Affiliated With SWM

We disclose information with unaffiliated third parties in limited circumstances. Please be assured that whatever the reason for sharing your personal information, we take steps to assure that those parties respect your privacy by limiting the use of the information to the purpose for which it was disclosed. These unaffiliated third parties may include:

- Companies that perform services for your account that we do not provide ourselves
- Companies that will help protect your account from fraud
- Companies that provide services necessary to effect a transaction that you request or to service your account
- Government agencies, courts, parties to lawsuits, regulators in response to subpoenas or otherwise as required by law. In such cases, we share only the information that we are required or authorized to share.

III. Confidentiality and Security

The security of your account information is important to us. Only those persons who need your information to perform their job have access to it. In addition, we maintain physical, electronic and procedural security measures that comply with federal regulations to protect your information.

Our employees have limited access to your personal information based upon their responsibilities. All employees are instructed to protect the confidentiality of your personal information as described in these policies, which are strictly enforced.

IV. Former Customers

If you end your relationship with SWM, we will continue to adhere to the policies and practices described in this notice.

At Sandlapper Wealth Management, LLC, maintaining our investors' trust and confidence is our top priority. We have made a conscience effort and commitment to safeguarding your personal information and providing you with facts and options about how this information could be shared.

OPT OUT NOTICE

Please complete this form **only if you do not want us to share your information with our affiliates,** and return it to:

Sandlapper Wealth Management, LLC
101 N. Main St., Suite 207
Greenville, SC 29601

First Name

Last Name

Street Address

City, State, Zip Code

Social Security Number

Brokerage Account Number

Brokerage Account Number

Signature

Date