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Part 2A Brochure

This brochure provides information about the qualifications and business practices of SilverStone Asset Management, Inc. If you have any questions about its contents, please contact us at (402) 964-5400. This information has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. SilverStone Asset Management, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about SilverStone Asset Management, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by using a unique identifying number, the CRD number, which for SilverStone Asset Management, Inc. is 164600.

## **ITEM 2 - MATERIAL CHANGES**

This is our initial filing of the Form ADV, Part 2A.

In future filings, this section of the Brochure will address only those “material changes” that have been incorporated since our last delivery or posting of this document on the SEC’s public disclosure website (IAPD) [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

If you would like another copy of this Brochure, please download it from the SEC Website as indicated above or you may contact Tony Sorrentino at (402) 964-5470 or [tsorrentino@SSGI.com](mailto:tsorrentino@SSGI.com)

We encourage you to read this document in its entirety.

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## ITEM 4 - ADVISORY BUSINESS

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This document, offered by SilverStone Asset Management, Inc. ("SSAM"), discloses information about the investment advisory services we provide and the manner in which we provide them to you, the client.

We are a fee-based investment management and financial planning firm located in Omaha, Nebraska, specializing in proactive investment advisory and planning services for investors and pension plans. The firm was established in 2004 by SilverStone Holdings, Inc., the firm's principal owner. SilverStone Holdings Inc. is primarily owned by John H. Nelson.

We are committed to help, build, manage, and preserve wealth, and to provide assistance to clients to help achieve their stated financial goals. We may offer an initial complimentary meeting; however, investment advisory services are initiated only after you execute an engagement letter or client agreement with us.

### **Investment Management and Supervision Services**

We offer discretionary investment management and investment supervisory services for a fee, based on a percentage of your assets under management. These services include investment analysis, asset allocation, quarterly account statements and ongoing monitoring of your portfolio.

SSAM will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This will enable us to determine the portfolio composition best suited for you.

In performing our services, we shall not be required to verify any information received from you or from other professionals. If you request, we may recommend and/or engage the services of other professionals for implementation purposes. You are under no obligation to engage the services of any such recommended professional.

Once we have determined the types of investments to be included in your portfolio, and allocated them, we will provide regular ongoing portfolio reviews and management services.

We will rebalance the portfolio, as we deem appropriate, to meet your financial objectives. We will rebalance your portfolio on a discretionary basis.

Our advisory services are tailored to meet your individual needs. You will have the ability to leave standing instructions with us to refrain from investing in particular industries or invest in limited amounts of securities. If your advisory services include our multi-fund manager approach, it is difficult for us to ensure that your portfolio will not invest in a particular industry or security. However, we are happy to discuss your

preferences regarding socially conscious investment concerns and, we'll try as much as possible, to accommodate them.

We do not and will not have custody of your funds or securities, except for the limited access to deduct our advisory fees via the qualified custodian and only with appropriate authorization from you.

Clients are responsible for notifying SSAM of any changes to their financial situation or investment objectives. At least annually, an Investment Advisor Representative (IAR) will contact each client for the specific purpose of determining whether the client's financial situation or investment objectives have changed, or if the client would like to impose and/or modify any reasonable restrictions on the management of his/her accounts. An IAR is always reasonably available to consult with clients relative to the status of their accounts. A client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the accounts. A separate account is always maintained for each client with the broker-dealer/custodian and the client retains all rights of ownership to their accounts (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

SSAM manages investments for other clients and may give them advice or take actions for them that is different from the advice provided to you, or actions taken for you. We are not obligated to buy, sell, or recommend to you any security that we may buy, sell, or recommend for any other client.

### **Financial Planning Services**

Our financial planning services may include analysis of your situation and assistance in identifying and implementing appropriate techniques to help you meet your specific financial objectives. Such services may include a written financial analysis and specific or general investment and/or planning recommendations.

In preparing your plan, we may address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards. These include: financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Other services in your plan may include:

- Appropriate income strategies for both pre- and post-retirement;
- Review of existing and proposed asset allocation in light of your objectives. This would include a review of risk/return issues and a suggested plan of action consistent with the same;
- Calculation of your pre-retirement savings and investing needs;

- Assessment of your overall financial position including net worth, cash flow, and debt;
- Analysis of IRA-related issues including rollover, distribution, and inheritance planning options;
- Evaluation of strategies designed to maximize the utilization and protection of your IRA assets;
- Overview and recommendations regarding estate planning issues;
- Review and determination of your life insurance needs;
- Suggestions for minimizing your federal and state income tax obligations; and
- Development of investment strategies consistent with your business ownership succession and transition planning, if applicable.

While financial planning services are prepared with the intention of the client implementing recommendations made within the plan through us, clients are not obligated to do so. If clients elect to have an IAR of ours implement the advice provided as part of the financial planning services, implementation will be made through our Investment Management and Supervisory Services or Third Party Manager Program described in this section or through an IAR of ours in his/her separate capacity as an insurance agent.

### **Third Party Manager Program (“TPM Program” or “TPM”)**

Selected Third Party Managers ("Managers") are evaluated by SSAM for Client use. TPM services may include assisting you in identifying your investment objectives and matching personal and financial data with a select list of Managers that meet the TPM minimum quantitative and qualitative criteria. The intent of the Program is to have a selected list of high quality and recognizable third party investment management firms from which you select one or more Managers to handle the day-to-day management of the your account(s). Following recommendations by our Investment Adviser Representatives (“IAR”), you will have final authority to select a Manager. The IAR may assist you in completing appropriate documents. Following selection of a Manager, SSAM will approve the appropriateness of such Manager.

Managers selected for your investments under TPM need to meet several quantitative and qualitative criteria established by SSAM. Among the criteria that may be considered are the manager’s experience, assets under management, performance record, client retention, the level of client services provided, investment style, buy and sell disciplines, capitalization level, and the general investment process. Prior to selection, all Managers are interviewed by a member of the SSAM diligence committee. Each Client must have a profile that matches the Manager’s stated objectives.

You are advised and should understand that:

- A Manager’s past performance is no guarantee of future results;

- There is a certain market and/or interest rate risk which may adversely affect any Manager's objectives and strategies, and could cause a loss in a Client's account(s); and
- Client risk parameters or comparative index selections provided to SSAM are guidelines only and there is no guarantee that they will be met or not be exceeded.

All accounts are managed by the selected Manager and SSAM does not have any discretionary trading authority with respect to such accounts. Information collected by our firm regarding TPM Managers is believed to be reliable and accurate but SSAM does not necessarily independently review or verify it on all occasions. All performance reporting will be the responsibility of the respective Manager. Such performance reports will be provided directly to you and SSAM. SSAM does not audit or verify that these results are calculated on a uniform or consistent basis as provided by a Manager directly to SSAM or through the consulting service utilized by the Manager.

### **Plan Advisory Services**

Plan Advisory Services consists of assisting employer plan sponsors establish, monitor and review their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure, and participant education.

We will establish your plan's needs and objectives through an initial meeting to collect data, review plan information, and assist you in developing or updating the plan's provisions. Ongoing services to you may include recommendations regarding the selection and review of unaffiliated mutual funds that, in our judgment, are suitable for plan assets to be invested in. We periodically review the investment options you select and make recommendations to keep or replace plan investment options as appropriate. We perform a comprehensive review of potential service providers or vendors and will assist you with converting from your incumbent service provider to a new service provider selected by you. You are under no obligation to follow the recommendations we make.

Services available under an Investment Advisory Agreement permit us to provide financial education to your plan participants. The scope of education provided to participants at your request will not constitute "investment advice" within the meaning of ERISA and participant education will relate to general principles for investing and information about the investment options currently in the plan. We may also participate in initial enrollment meetings and periodic workshops and enrollment meetings for new participants as we agree upon.

All retirement planning services shall be in compliance with any applicable Federal and State law(s) regulating the services provided by our Agreement. This section applies to an Account that is a pension or other employee benefit plan (a "Plan") governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). If your Account is part of a Plan and we accept appointments to provide our services to your Account, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of

ERISA (but only with respect to the provision of services described in section 1 of this agreement). You represent that (i) Our appointment and services are consistent with the Plan documents, (ii) You have furnished us true and complete copies of all documents establishing and governing the Plan and evidencing your authority to retain our firm. You further represent that you will promptly furnish us with any amendments to the Plan, and you agree that, if any amendment affects our rights or obligations, such amendment will be binding on us only with our prior written consent. If your Account contains only a part of the assets of the Plan, you understand that we will have no responsibilities for the diversification of the Plan's investments, and we have no duty, responsibility or liability for the assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in your account, you will obtain and maintain at your expense bonding that satisfies this requirement and covers SSAM and any of our affiliates.

### **Investment Consulting Services**

We may also provide portfolio review and advice for assets that are not part of our discretionary investment advisory services. This service is limited to a periodic review based on information provided to us by you, the client.

We also provide limited advice on one or more isolated areas of concern such as estate planning, real estate, retirement planning, insurance, annuities, non-securities matters, or any other specific topic.

### **Wrap Fee Programs**

We do not participate in wrap fees programs in our portfolio services.

### **Assets**

As of May 31, 2012, we do not have any assets under discretionary management. We do not have any non-discretionary assets under management.



## ITEM 5 - FEES AND COMPENSATION

### **Investment Management Fees and Compensation**

SSAM charges a fee for providing investment management services on your account. These include advice, consulting, trade entry, investment supervision, and other account maintenance activities. We do not charge fees for making transactions within your account. The custodian may charge custodial fees, transaction costs, redemption fees, retirement plan and administrative fees or commissions. See Additional Fees and Expenses below.

The annual fee for portfolio management services is billed quarterly in arrears based on the market value of the assets on the last day of the preceding month as reported by the custodian. The initial fee will be based upon the market value of the account on the date the account is accepted for management by execution of the investment advisory contract by the Firm and the assets are transferred, and then prorated for the number of days in the calendar quarter that your account is under management. Fees are assessed on all assets under management, including securities, cash and money market balances. Margin debit balances do not reduce the value of assets under management.

Fees may vary based on the size of the account, complexity of the portfolio, extent of activity in the account or other reasons agreed upon by us and you as the client. Fees will generally follow the schedule of assets under management outlined below. In certain circumstances at our discretion, we may allow you to negotiate fees.

Market Value of the Advisory Assets	Maximum Annual Advisory Fees%
\$0 – 499,999	1.25%
\$500,000 – 999,999	1.00%
\$1,000,000 – 2,999,999	0.75%
\$3,000,000 – 4,999,999	0.65%
\$5,000,000 – 9,999,999	0.55%
\$10,000,000 & above	0.50%

At our discretion, we may add (aggregate) asset amounts in accounts from your same household together to determine the advisory fee for all your accounts; for example, where we also service accounts of your minor children, individual and joint accounts, IRA accounts, and so forth. This aggregation is designed for your benefit to potentially be assessed a reduced advisory fee.

You may provide written authorization permitting fees to be paid directly from your account held by the independent qualified custodian. The custodian holding your cash and securities will debit your account directly and pay the fee to us. Further, the

custodian agrees to deliver directly to you an account statement at least quarterly indicating all the amounts deducted from your account including our advisory fees. You are encouraged to review your account statements for accuracy. We will receive a duplicate copy of the custodian's statement as well.

In limited circumstances, we may bill you directly for our management fee. In this case, the payment is due upon receipt of the invoice.

Either Party may terminate the management agreement at any time upon 30 days written notice. Any fees due us will be prorated and deducted from your account. Upon termination, you are responsible for monitoring the securities in your account(s), and SAMM as investment adviser will have no further obligation to act or advise with respect to those assets.

### **Administrative Services Provided by ORION Advisor Services, LLC**

We have contracted with ORION Advisor Services, LLC (referred to as "ORION") to utilize its technology platforms to support data reconciliation, performance reporting, fee calculation and billing, research, client database maintenance, quarterly performance evaluations, payable reports, web site administration, models, trading platforms, and other functions related to the administrative tasks of managing client accounts. Due to this arrangement, ORION will have access to client accounts, but ORION will not serve as an investment advisor to our clients. SSAM and ORION are non-affiliated companies. ORION charges our Firm an annual fee for each account administered by ORION. The annual fee is paid from the portion of the management fee retained by SSAM.

### **Financial Planning Fees**

SSAM will negotiate planning fees with you. Fees may vary based on the extent and complexity of your individual personal circumstances, your gross income and amount of assets under management. Your fee for the designated financial advisory services will be based on one of the following ways:

- **Fixed Fee:** Under a fixed fee arrangement, any fee will be agreed upon by you and your advisor in advance of services being performed. The fee will be determined based on factors including the complexity of your financial situation, agreed upon deliverables, and whether or not you intend to implement any recommendations through your IAR at SSAM.

When SSAM is chosen to implement your plan, we will waive or reduce a portion of our financial planning. The type of fee and, in the case of a fixed fee, the amount of the fee will be agreed to by you and your advisor prior to the signing of the financial planning agreement. One half of the total fee will be due and payable at the time you enter into the financial planning agreement, with the balance due and payable at the time the financial plan is delivered.

Typically, we complete a plan within a week or two and will present it to you within 90 days of the contract date, provided that you have provided us all information needed to prepare the financial plan. If the work is not completed in such a time, we may refund your fee on a pro-rated basis. If the agreement is terminated prior to the completion of the project, any pre-paid fees received by us will be returned to you on a pro rata basis. Fixed fees shall not exceed \$5,000.

- **Hourly Rate:** Under an hourly rate agreement, your total cost for financial planning services will be based on the amount of time your advisor and our staff spend developing your financial plan. This includes time spent meeting with you, analyzing your financial objectives, and evaluating and documenting your strategies. Our hourly rates vary between \$150.00 and \$500.00. The hourly rate will be agreed upon by you and your advisor in advance of services being performed. The fee and the number of hours will be determined based on factors including, the complexity of your financial situation, agreed upon deliverables and the level of experience of the advisor(s) completing your plan. Either party may terminate the agreement. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you.

In no case are our fees based on, or related to, the performance of your funds or investments.

We will not require prepayment of more than \$1,200 in fees per client, six (6) or more months in advance of providing any services.

You may terminate the financial planning agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you.

When both investment management or plan implementation and financial planning services are offered, there is a potential conflict of interest since there is an incentive for the party offering financial planning services to recommend products or services for which SSAM or a related party, may receive compensation. However, as a financial planning client, you are under no obligation to act upon any of our recommendations or effect the transaction(s) through us if you decide to follow the recommendations.

### **Third Party Management (“TPM Program” or “TPM”) Fees**

Fees and billing methods are outlined in each respective Manager’s Brochure and Advisory Contract. SSAM will be paid an on-going fee by the Manager based upon a percentage of your assets under management with respect to each Manager. You will receive a copy of our agreement with the TPM which will disclose all fees. SSAM negotiates its solicitor fee with each Manager.

SSAM has a potential conflict of interest to recommend selections of management style and Managers that would result in higher advisory fees paid to SSAM. However, SSAM

will make all recommendations independent of such fee consideration and based solely on its obligations to consider your objectives and needs.

The minimum account size for participating in a TPM Program will vary from Manager to Manager. All such minimums will be disclosed in the respective Manager's Brochure. SSAM may have the ability to negotiate such minimums for you.

You may terminate your relationship in accordance with the respective Managers' disclosure documents. If you terminate your participation in the Program within five business days of inception, you will receive a full refund of the fee. Pre-paid fees will be refunded in accordance with the respective Manager's agreement and disclosure documents.

A Manager relationship may be terminated at your or your IAR's discretion. SSAM may at any time terminate the relationship with a Manager that manages your assets. SSAM will notify you of instances where we have terminated a relationship with any Manager you are investing with. SSAM will not conduct on-going supervisory reviews of the Manager following such termination.

Factors involved in the termination of a Manager may include a failure to adhere to their stated management style or your objectives, a material change in the professional staff of the Manager, unexplained poor performance, unexplained inconsistency of account performance, or our decision to no longer include the Manager on our list of approved Managers.

### **Plan Advisory Services**

For Plan Advisory Services compensation, we charge an annual fee as negotiated with the client and disclosed in the Investment Advisory Agreement. The compensation method is explained and agreed upon in advance before any services are rendered.

Plan advisory services begin with the effective date of the Agreement, which is the date you sign the Investment Advisory Agreement. For that calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective. Our fee is billed in arrears on the last business day of the calendar quarter. Invoices are sent out each quarter to either the client or the custodian of the Plan. For clients where our fee is billed to the custodian, the fee is deducted directly from the participant accounts. Written authorization permitting us to be paid directly from the custodial account is outlined in the Investment Advisory Agreement.

Either party may terminate the agreement at any time upon 30 days written notice. You are responsible to pay for services rendered until the termination of the agreement.

## **Investment Consulting**

SSAM will negotiate consulting fees with you. Fees may vary based on the extent and complexity of the consulting project. Your fee for the designated consulting agreement is based on one of the following ways:

- **Fixed Fee:** Under a fixed fee arrangement, any fee will be agreed upon by you and your advisor in advance of services being performed. The fee will be determined based on factors of the consulting project and fully detailed in our agreement. A portion of the fee is payable upon signing the agreement. We will complete work within six months of the date your initial fee is paid. If the work is not completed in such a time, we will refund your fee based upon the percentage of the completion of the project. The fixed fee shall not exceed \$5,000.
- **Hourly Rate:** Under an hourly rate agreement, your total cost for consulting services will be based on the amount of time your advisor and our staff spend working with you on your specific project. Our hourly rates vary between \$150.00 and \$500.00. You will be billed monthly as services are rendered.

Either party may terminate the agreement. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you as described above.

## **Additional Fees and Expenses:**

When implementing our recommendations or any other investment recommendation, clients need to be aware that standard commissions, custodial fees, and transaction fees may be charged to the client. Clients may incur certain charges imposed by third parties, other than us, in connection with investments made through an investment account, including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges, IRA and qualified retirement plan fees.

Advisory fees payable to us do not include the fees you may pay when we purchase or sell securities for your Account(s). The following list of fees or expenses are what you may pay directly to third parties, whether a security is being purchased, sold or held in your Account(s) under our management.

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF), and/or Exchange Traded Funds (ETFs)
- Advisory fees charged by sub-advisers (if any are used for your account)
- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;

- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Fees on existing variable annuities that may have been subject to trailing service fees, deferred sales charges, and mortality and expense fees.
- Fees on Mutual fund assets deposited in the account that may have been subject to deferred sales charges and 12 (b)(1) fees and other mutual fund annual expenses as described in the fund's prospectus.

Please refer to the “Brokerage Practices” for discussion of SSAM’s brokerage practices.

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**ITEM 6 - PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

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We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance based fees). Our advisory fee compensation is charged only as disclosed above in Fees and Compensation.

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**ITEM 7 - TYPES OF CLIENTS**

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We provide investment advice to individuals, high net worth individuals, pension plans, foundations, non-profit organizations, charitable organizations, trusts and small businesses. A minimum of \$250,000 is required to open and maintain an account. We may waive account minimums at our sole discretion.



## **ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

We utilize primarily fundamental analysis. We gather our information from a broad array of financial resources including financial publications, magazines, research prepared by third-parties, corporate rating services, company press releases, annual reports, prospectuses and filings with the Securities and Exchange Commission.

We determine how to allocate assets among the various asset classes based upon the investment strategy chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are part of several factors used in determining portfolio composition.

From time-to-time, market conditions may cause your account to vary from the established allocation. Our portfolios will be monitored to check that the allocation remains consistent. We aim to minimize portfolio turnover, however, this does not imply we will not keep a vigilant eye on the investments and make changes when necessary. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and rebalanced at least annually to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy. We reserve the right to substitute holdings within an asset class at any time if a better alternative arises and it maintains the same style of investment and maintains the integrity of the portfolio.

In addition to the annual rebalancing, overall market conditions, as well as macro and/or microeconomic factors that affect specific holdings in your account may trigger changes in allocation. Your account may also receive informal reviews more frequently.

### **Investment Philosophy**

Our investment philosophy keeps us focused on our client's long term goals. We strongly believe in fundamental value investing. We avoid day trading and/or market speculation. We do, however; acknowledge the cyclical nature of the securities markets and take measures to minimize downside risk.

Using history as our guide to the future, we are not interested in fads or short term performance. Over the course of many decades the market consistently has yielded positive returns. It is our goal to reduce risk while maintaining known client investment objectives. We have faith that the consumer will remain resilient, regardless of economic conditions. We enhance our portfolios with consumer staples and value equities to reduce overall portfolio volatility. We believe there is a false notion that risk is perfectly correlated with return. Although there is correlation, it is not perfect; it is possible to have higher returns with less risk. One way we measure this is using an industry standard equation known as the Sharpe Ratio, or excess return over standard deviation.

We search for low cost investments, low turnover, and tend to prefer passive and enhanced indexing rather than active management. While we admit that from time to time, there are a few investors that will “beat” the market; we do not feel that this is systematically possible on a long term basis.

### **Investment Strategies**

Our models will be based on an ordinal scale of risk, “Conservative” using the least amount of risk and “Aggressive” incorporating the highest level of risk. The ordinal scale merely implies that the next level is more risky than the previous; however, two levels on this scale may not be twice the risk. Conservative, or the lowest level of risk, does NOT imply there is NO risk; rather there is the least amount of relative risk according to our scale.

The models will be based upon a range of different exposures to investments. The most “Aggressive” model would be allocated primarily to equities and the most “Conservative” model would be allocated primarily to fixed income. This does not necessarily mean that our most “Aggressive” model will be 100% allocated to equities, however, according to our scale, that would be defined as the most “Aggressive,” and vice versa. This scale does not measure risk associated with alternative strategies, derivatives, private investments, or any other investment not described by equity or fixed income. Although we will use only equity or fixed income to measure risk on our scale, we in no way limit ourselves to only investing in equity or fixed income. Rather, the core investment will be based on the aforementioned scale, and other investments will be incorporated as deemed appropriate. All investments will be assessed for each client on an individual basis for appropriateness.

We may use sub-advisers who specialize in a particular investment vehicle or style. Any sub- advisors associated with SSAM will maintain of our investment philosophy. They will operate within the percentage allocation of risk deemed appropriate for the portfolio. SSAM will be responsible for ensuring any sub-advisor does not deviate from the proposed model. This would not change the allocations of risk, based upon our ordinal scale.

When developing our portfolios, we may use any of the following types of investment vehicles.

### **Exchange Traded Funds (ETFs)**

ETFs are low-cost, efficient investment vehicles that allow clients to deposit assets into a basket of stocks that represent a similar theme, which can then be traded much like a stock on an exchange. ETFs experience price changes throughout the day as they are bought and sold. These unmanaged tools allow investors to take advantage of the efficiencies of the market in a diversified and reasonably priced manner.

### **Mutual Funds**

A mutual fund is an investment tool comprised of a pool of funds collected from many investors for the purpose of investing in securities such as stocks, bonds, money market instruments and similar assets. One of the main advantages of mutual funds is that they give small investors access to professionally managed, diversified portfolios of equities, bonds and other securities, which would be quite difficult (if not impossible) to create with a small amount of capital. Each shareholder participates proportionally in the gain or loss of a selected fund based on his or her personal level of risk.

### **Fixed Income**

Fixed income investments (such as Bonds or Bond Mutual Funds) are forms of debt in which investors “loan” money to a company, municipality or entity. Inserting fixed income into a client’s account can help reduce market risk as well as help generate “yield” or “income” in his or her portfolio.

### **Stocks**

A stock represents a fractional ownership in a corporation. Individual stock offerings can and will appreciate or depreciate in value based on the earnings of the company. Oftentimes, our clients own shares of individual stocks in companies they are employed by or have a personal interest in.

### **Alternative Investments**

An alternative investment is one that is not among the three traditional asset types (stocks, bonds and cash). Alternative investments include hedge funds, managed futures, REITS, commodities and derivatives contracts. Alternative investments are favored mainly because their returns have a low correlation with those of standard asset classes. Embedding a portion of our clients’ portfolios into alternative investments can help minimize normal market instability.

### **Options-Based Strategies**

Options can be used to hedge against market volatility and/or protect current and future income. Options can also be utilized to protect a client’s portfolio when they are exposed to a concentrated stock position.

### **Limited Partnerships**

Limited partnerships allow approved and accredited investors to participate in more advanced (and sometimes diversified) types of investments. A portion of client’s funds will be deployed into limited partnerships if/when appropriate or mutually agreed upon. We can also help clients manage existing limited partnership investments.

### **Third-Party Money Manager Analysis**

We examine the experience, expertise, investment philosophies and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager’s underlying holdings, strategies, concentrations and

leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

## **Risks**

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, SSAM 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 when investing in securities through SSAM.

You should be aware that your account is subject to the following risks:

- **Stock Market Risk** – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk** – The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk** – The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries will disproportionately impact your portfolio. Investments focused in a particular industry are subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk** – Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and economic systems and political and economic instability.
- **Emerging Markets Risk** – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of

these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

- Currency Risk – The value of your portfolio's investments may fall as a result of changes in exchange rates.
- Interest Rate Risk. The value of fixed income securities rises or falls based on the underlying interest rate environment. If rates rise, the value of most fixed income securities could go down.
- Credit Risk – Most fixed income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- Inflation Risk – Most fixed income instruments will sustain losses if inflation increases or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed income securities could go down.
- ETF and Mutual Fund Risk – When we invest in an ETF or mutual fund for a client, the client will bear additional expenses based on its pro rata share of the ETFs 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. Clients may also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with us varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produced the expected returns, the value of the investment will decrease.
- 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.

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**ITEM 9 - DISCIPLINARY INFORMATION**

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This item is not applicable to this brochure because there are no legal or disciplinary events listed at Item 9 of the Form ADV Part 2 instructions that are material to a client's or prospective client's evaluation of this business or integrity.

## **ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Other Business Activities**

#### **SilverStone Group**

SilverStone Group (“SSG”) and SSAM are separate companies, but affiliated by ownership and control. SSG is a full-service, resource management organization offering customized services to meet business and private clients’ specific needs. SSG is licensed with the department of insurance in various state as an agency. SSG provides a range of integrated services that protect and enhance the organizational and financial well-being of their clients. SSG’s core services include Risk Management, Employee Benefits, Private Client Services & Consulting Services. Within Risk Management, SSG identifies and transfers risks and finds ways to manage and reduce such risk. Employee Benefits goal is to provide clients with alternative and cost effective plan design that meet their entity objectives and criteria for benefit administration and communication. These services include the management of group health and welfare plans, as well as retirement benefit programs. Private Client Services provides assistance with wealth preservation and estate planning challenges. The estate planning professionals develop innovative strategies designed to help supplement and protect income, reduce taxes and preserve and grow your assets for future generations. The Human Resource Consulting Services area provides expertise in organizational development issues, from leadership development and executive coaching to compensation plan design and compliance reviews.

Associated persons of SSAM spend of portion of their time providing services through SSG as described above. In addition, IAR’s of SSAM are also licensed insurance agents and can sell various life insurance products, long term care and annuities. As a result, certain associated persons may receive compensation for the activities through SSG and as insurance agents. A small portion of their time is spent in connection with these activities.

#### **Broker Dealer**

IARs of SSAM are registered representatives of M Holdings Securities, Inc. (“MHS”) a securities broker-dealer, and will be compensated for effecting securities transactions. A portion of the time of SSAM and our IARs is spent in connection with broker/dealer activities.

As a broker-dealer, MHS engages in a broad range of activities normally associated with securities brokerage firms. Pursuant to the investment advice given by SSAM or its IARs, investments in securities may be recommended for clients. If MHS is selected as the broker-dealer, MHS and its registered representatives, including IARs of SSAM, may receive commissions for executing securities transactions. When IARs of SSAM receive

commissions in connection with the advice given to advisory clients, SSAM may reduce a portion of its fees by the amount of the commissions earned by SSAM IARs.

You are advised that if MHS is selected as the broker-dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker/dealers. You should note, however, that you are under no obligation to purchase securities through IARs of SSAM or MHS.

SSAM may provide advice regarding investment company securities. You should be aware that, in addition to the advisory fees you pay in connection with any SSAM program, each investment company also pays its own separate investment advisory fees and other expenses. Such fees and expenses are disclosed in the mutual fund's prospectus. In addition, clients should be aware that mutual funds may be purchased separately, independent of the investment management services of SSAM.

Moreover, you should note that under the rules and regulations of FINRA, MHS has an obligation to maintain certain client records and perform other functions regarding certain aspects of the investment advisory activities of its registered representatives. These obligations require MHS to coordinate with, and have the cooperation of its registered representatives that operate as, or are otherwise associated with, investment advisers other than MHS. Accordingly, MHS may limit the use of certain custodial and brokerage arrangements available to clients of SSAM and MHS may collect as paying agent of SSAM the investment advisory fee remitted to SSAM by the account custodian.

IARs of SSAM may, in their capacity as registered representatives of MHS, or as agents appointed with various life, disability or other insurance companies, receive commissions, 12(b)-1 fees, trails, or other compensation from the respective product sponsors and/or as a result of effecting securities transactions for clients. As previously noted, when commissions or fees are received by SSAM or its IARs in connection with the advice given to advisory clients, SSAM may, but is not obligated to, reduce its fee proportionate to the amount of the commission or fee earned by SSAM or its IARs. However, clients should note that they are under no obligation to purchase any investment products through SSAM or its IAR.

Certain associated persons of SSAM own less than 1% of MHS which is privately traded. In their role as investment adviser representatives with SSAM and registered representative of MHS, investment adviser representatives with SSAM will always provide best execution for clients under every circumstance.



## **ITEM 11 - CODE OF ETHICS PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

We do not, as principal, buy securities for our own accounts from any client or sell securities we own to any client or as broker or agent effect securities transactions for compensation for any client. SSAM and persons associated with us are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of SSAM, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

### Affiliate and Employee Personal Securities Transactions Disclosure

SSAM or its IAR's may buy or sell securities or have an interest or position in their personal account in a security that they also recommend to clients. We are and shall continue to be in compliance with *The Insider Trading and Securities Fraud Enforcement Act of 1988*. As these situations may represent a potential conflict of interest, it is our policy that no IARs shall prefer his or her own interest to that of the advisory client. No person employed by us may purchase or sell any security prior to a transaction or transactions being implemented for an Advisory client account. All trades are done in the order of the recommendations given and instructions from the clients to proceed. Our personal transactions take place after all client transactions have been completed.

All advisory personnel are required to report to the Firm's Chief Compliance Officer initial and annual holdings and quarterly transactions in reportable securities, as defined in the Code and the Chief Compliance Officer is responsible for reviewing such reports. The Code also sets forth general standards of conduct and practices to be followed by all personnel to minimize conflicts of interest, including restrictions on gifts to or from brokers, clients and others, restrictions on service on the boards of other companies, restrictions on participation in investment clubs and policies designed to prevent personal

trading conflicts. In addition, the Code (including the Firm's Insider Trading Policy Statement) includes provisions designed to prevent and enforce the Firm's strict policy against the misuse of material non-public information by all personnel. The Firm's Chief Compliance Officer is responsible for the oversight and administration of the Code.

All associated persons sign a letter of acknowledgment that they have read the Personal Trading Policy, fully understand it and will abide by it at all times while under the employ of SSAM.

Additionally, we have established the following restrictions in order to ensure our firm's fiduciary responsibilities and mitigate any conflicts of interest:

1. A director, officer or employee of SSAM shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No director, officer or employee of SSAM shall prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of SSAM.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.
5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to termination.

You may request a complete copy of our Code by contacting us at the address, telephone or email on the cover page of this Part 2; attn: Chief Compliance Officer.

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## ITEM 12 - BROKERAGE PRACTICES

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We participate in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC/NFA. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment Advisors services which include custody of securities, trade execution, clearance and settlement of transactions. We receive some benefits from TD Ameritrade through our participation in the program. (Please see the disclosure under Client Referrals and Other Compensation below.)

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, we generally recommend your account to be maintained at TD Ameritrade. We may recommend that you establish accounts with TD Ameritrade to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers and the value of products, research and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

We do not select or recommend broker/dealers based upon receiving client referrals from a broker/dealer or third party. We do not routinely recommend, request or require that you direct us to execute transaction through a specified broker dealer. Additionally, we typically do not permit you to direct brokerage.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. We may use broker-dealers other than your custodian to execute trades for your account, but this practice may result in additional costs to you so that we are more likely to place trades through your custodian rather than other broker-dealers. Your custodian's execution quality may be different than other broker-dealers.

Additionally, we have outsourced our back-office tasks to ORION. These include tasks of daily database reconciliation, statement generation and deliver, and advisory fee filling. ORION'S system will provide us with customized reporting, GIPS-compliant composites, trade upload creation and pending trade follow-up for us to provide maintenance activities for your account.

### Additional Services Agreement

SSAM 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 TD Ameritrade's Institutional program. Specifically, the Additional

Services include TD Ameritrade making available to SSAM the portfolio account services provided by ORION. This is an annual economic benefit of approximately \$25,000 to \$100,000 a year. Please refer to Item 4 of this brochure for details of the services provided by ORION.

We will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

1. Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker-dealer(s) through which such transactions will be placed;
2. We will not aggregate transactions unless it believes that aggregation is consistent with its duty to seek the best execution (which includes the duty to seek best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated;
3. No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given security on a given business day, with transaction costs based on each client's participation in the transaction;
4. We will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients;
5. If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation;
6. Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is approved by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account;
7. We will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
8. Individual advice and treatment will be accorded to each advisory client.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft dollar commission basis.

#### Trade Errors

We have implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be 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 will be made whole and we will absorb any loss resulting from the trade error if the error was caused by the firm. If the error is caused by the broker-dealer, the broker-dealer will be responsible for covering all trade error costs. If an investment gain results from the correcting trade, the gain will remain in the client's account unless the same error involved other client account(s) that should also receive the gains and it is not permissible for all clients to retain the gain. We may also confer with clients to determine if the client should forego the gain (e.g., due to tax reasons). We will never benefit or profit from trade errors.

## ITEM 13 - REVIEW OF ACCOUNTS

### Account Reviews and Reviewers

The underlying securities within the investment supervisory services are regularly monitored. These reviews will be made by each Investment Adviser Representative in addition to Jacob Bleicher, Analyst and Tony Sorrentino, Chief Compliance Officer. An annual review is usually conducted in person or by telephone.

The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

### Statements and Reports

Through an agreement with ORION Advisor Services, Inc., SSAM will have the ability to provide clients with Performance/Position summary reports upon request. Reports may also be provided at every client meeting. Communication to client will be done on an as needed basis with a minimum of 1 contact per calendar quarter.

The custodian for the individual client's account, TD Ameritrade, will also provide clients with an account statement at least quarterly.

**You are urged to compare the reports provided by SSAM against the account statements you receive directly from your account custodian.**

Financial Planning/Consulting clients (i.e. those who have no assets under management with us in our advisory program) will receive no regular reports from the Firm.

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**ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

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As disclosed under Brokerage Practices, we participate in TD Ameritrade's institutional customer program and we may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the program and the investment advice we give to our clients, although we receives economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. 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 Advisor 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; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by SSAM or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, we endeavor at all times to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by SSAM or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

From time to time, we may 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 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 whom sales have been made or it is anticipated sales will be made.

IARs endeavor at all times to put the interest of our clients first as a part of their fiduciary duty. However, you should be aware that the receipt of additional compensation through expense reimbursements creates a conflict of interest that may impact the judgment of the IARs when making advisory recommendations.

We have has established relationships with other investment advisors through which we act as a solicitor referring you to the other investment advisors management programs. When acting in this solicitor/referral capacity, we will receive a portion of the fee paid to the other investment advisors by you.



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## ITEM 15 - CUSTODY

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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 advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented.

SSAM is deemed to have custody of client funds and securities whenever SSAM is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody SSAM 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 SSAM is deemed to have custody, the firm has 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 SSAM. When clients have questions about their account statements, they should contact SSAM or the qualified custodian preparing the statement.

When fees are deducted from an account, SSAM is responsible for calculating the fee and delivering instructions to the custodian. At the same time SSAM instructs the custodian to deduct fees from the client's account; SSAM will send the client an invoice itemizing the fee. Itemization shall include the formula used to calculate the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

## ITEM 16 - INVESTMENT DISCRETION

Prior to engaging SSAM to provide investment advisory services, clients enter into a written Agreement with SSAM granting the firm the authority to supervise and direct on an on-going basis investments in accordance with the client's investment objective and guidelines. Clients will also execute any and all documents required by the Custodian so as to authorize and enable SSAM, in its sole discretion, without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your account. We are authorized, in our discretion and without prior consultation with you to: (1) buy, sell, exchange and trade any investment company registered under the Investment Company Act of 1940 and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations to such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by SSAM for you are:

1. For discretionary clients, we require that it be provided with authority to determine which securities and the amounts of securities to be bought or sold, as well as the broker-dealer to be used and the commission rates to be paid.
2. Any limitations on this discretionary authority shall be included in this written authority statement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

In some instance, we may not have discretion. We will discuss all transactions with you prior to execution.

Research products and services received by us from broker-dealers will be used to provide services to all our clients.

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## **ITEM 17 - VOTING YOUR SECURITIES**

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We will not vote proxies under its limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies. Should you have any questions about a particular solicitation, you may contact us.

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**ITEM 18 - FINANCIAL INFORMATION**

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This item is not applicable to this brochure. We do 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 our 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, we have not been the subject of a bankruptcy petition at any time.