

## **Form ADV Part 2A: Firm Brochure**

### **Princeton Portfolio Strategies Group LLC**

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Princeton, NJ 08540

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Dated: March 28, 2013

This brochure provides information about the qualifications and business practices of Princeton Portfolio Strategies Group LLC. If you have any questions about the contents of this brochure, please contact us at (609) 436-5680. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

Registration as an investment adviser, or any reference to the firm being or the use of the term "registered", "registration" or "registered investment adviser", does not imply a certain level of skill or training.

CRD Number: 158570

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## Item 2: Material Changes

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The firm's last annual update was filed on March 28, 2012. Since then this disclosure brochure has been amended to reflect changes that include the following:

- As of May 1, 2012 the firm's principal office and place of business became 212 Carnegie Center, Suite 206, Princeton, NJ 08540. The firm's phone number became (609) 436-5680.
- Item 4 – to reflect William H.B. Hamill joining the firm as a principal owner as of May 1, 2012
- Item 4 – to reflect client assets under management as of December 31, 2012
- Item 6 – to reflect that one of the firm's associated persons has a relationship with an entity not affiliated with Princeton Portfolio Strategies Group that may receive performance-based fees
- Item 10 – to identify other financial industry activities and affiliations of certain of the firm's associated persons
- Item 11 – to add details concerning the relationship between certain of the firm's associated persons and an unaffiliated outside entity

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**Item 4: Advisory Business**

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**Firm Description**

Princeton Portfolio Strategies Group ("PPSG") was formed in July 2011 as a New Jersey-based limited liability company. It submitted its initial application for investment adviser registration in August 2011.

The firm is 100% employee owned and managed. Principal owners are William H.B. Hamill, R. Todd Lincoln, Carlton Savoye and Suzanne Twitchell.

**Advisory Services: Discretionary Assets**

PPSG offers discretionary portfolio management services in accordance with the methods described in Item 8: Investment Strategies, Methods of Analysis and Risk of Loss. Discretionary account clients authorize the firm to select securities and execute transactions without their permission prior to each transaction.

We tailor our advisory services to the individual needs of our clients by investing client portfolios in accordance with the goals, objectives, time horizon and risk tolerance of each client as detailed in the client's Discretionary Management Agreement with PPSG.

Discretionary assets are invested primarily in exchange-listed securities such as common stock, corporate and municipal bonds, and debt securities issued by the U.S. government and its agencies. Secondly, investment selections may include securities listed over-the-counter, foreign issuers, mutual funds and assets that may already be part of a client's account.

**Advisory Services: Non-Discretionary Assets**

Under select circumstances the firm will accept accounts holding non-discretionary assets. Non-discretionary assets are those that Princeton Portfolio Strategies Group may trade only in accordance with the client's instructions.

**Client Imposed Restrictions**

Clients may restrict us from investing in certain securities or types of securities. We review these requests on a case-by-case basis. Requests for restrictions must be submitted in writing to PPSG as part of its Investment Advisory Agreement.

**Miscellaneous Information About the Firm's Services**

In connection with the provision of the firm's services, (1) we tailor our advisory services to the client's individual needs in accordance to the information provided by the client relating to goals, objectives, time horizon and risk tolerance, (2) the non-discretionary account client retains absolute discretion over all implementation decisions and is free to accept or reject any recommendation from the firm, (3) the firm is authorized to rely on any and all information that is provided to it by the client or any of the client's other professionals (such as the client's attorney or accountant), and shall not be required to independently verify any such information, and (4) each client is responsible for promptly notifying the firm if there is ever any change in their financial situation or investment objectives so that the firm is positioned to review, evaluate and possibly revise its previous recommendations and/or services.

**Assets Under Management**

The firm's portfolio management services include both discretionary and non-discretionary asset management. As of December 31, 2012 the firm managed \$135,836,000 of client assets in discretionary accounts and \$1,182,000 of client assets in non-discretionary accounts.

## Item 5: Fees and Compensation

Princeton Portfolio Strategies Group charges a management fee that is based on a percentage of assets under management for a respective client account.

Below is our standard Annual Advisory Fee schedule.

<b>Assets Under Management</b>	<b>Equity and Balanced Accounts</b>	<b>Fixed Income Accounts</b>
First \$1 million	1.25%	0.50%
Next \$9 million	1.00%	0.50%
Over \$10 million	Negotiable	Negotiable

All fees are charged quarterly in advance. Billing is based upon the market value of the client's portfolio as of the last business day of the prior quarter's end. PPSG reserves the right, at its discretion to:

- Pro-rate the quarterly billing for capital contributions or distributions; and
- Accommodate clients who prefer a different method of calculating their account value for billing purposes.

Princeton Portfolio Strategies Group's minimum account size is \$1 million, although the firm has the discretion to accept accounts below \$1 million.

The fee we charge is listed in a client's Management Agreement with us.

Fees are usually deducted from a designated client investment account to facilitate billing. The client must consent in advance to direct debiting of their investment account. As part of our quarterly report to clients, we include a fee statement detailing how fees are calculated. Under certain circumstances PPSG will accommodate clients who wish to be billed directly for fees.

### Negotiability of Fees

The table above represents Princeton Portfolio Strategies Group's basic fee schedule. PPSG retains the right to negotiate fees at its discretion. We may agree to vary our standard fee schedule based on such criteria as the level of client assets under management and/or the level of service required by the client, historical relationship, related accounts, etc.

### Other Types of Fees and Expenses

The fees charged by Princeton Portfolio Strategies Group do not include brokerage commissions, transaction fees, and other brokerage related costs and expenses that are paid by the client. Clients may pay fees imposed by custodians, brokers, and other third parties; such fees may include, but are not limited to:

- Custodial fees
- Brokerage commissions
- Odd-lot differentials
- Wire transfer and electronic fund fees
- Duplicate statement and transaction confirmations
- And/or other fees and taxes on brokerage accounts and securities transactions

Item 12 further discusses brokerage and includes a description of the factors we consider in selecting or recommending broker-dealers for client transactions and how we determine that the commissions paid to the broker-dealers are reasonable.

### **Mutual Fund Fees and Expenses**

Clients should recognize that all fees paid to PPSG for investment advisory services are separate and distinct from fees and expenses charged by mutual funds and/or ETFs. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee.

### **Termination of the Advisory Relationship**

The Investment Advisory Agreement may be terminated at any time, by either party, for any reason, upon receipt of written notice.

Since PPSG charges its management fee in advance; we will refund any prepaid, unearned fees. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period. The client's written termination notice will serve as a request for reimbursement of prepaid, unearned fees.

### **ERISA Accounts**

PPSG is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. For ERISA clients, and non-ERISA clients alike, we will not engage in prohibited transactions and will not receive commissions, 12b-1 fees or any other form of compensation from any investment product we may recommend.

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

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PPSG does not receive performance based fees. Fees are not calculated on the basis of a share of capital gains on or capital appreciation of the funds of an investment advisory client. The management fee charged by PPSG is calculated as described in Item 5.

PPSG's associated person, Robert T. Hoffman is the managing member of POPP LLC which is the general partner of Princeton Opportunity Partners, LP ("POPP"), a pooled investment vehicle. Certain clients of PPSG are limited partners in POPP through direct investments in that fund made outside of their association with PPSG. The general partner may receive compensation for its services to POPP which may include the payment of a performance based fee and Mr. Hoffman may be an indirect beneficiary of those payments. PPSG does not receive any portion of these payments and is not involved in providing any services to that fund.

## **Item 7: Types of Clients**

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PPSG offers its portfolio management services primarily to:

- individuals and family offices
- trusts and partnerships
- endowments and foundations
- employee benefit plans
- business entities

### **Requirements for Opening or Maintaining an Account**

- The minimum account size for all clients is \$1 million. We may agree to aggregate related accounts for the purpose of determining account size, and we may agree to manage accounts below our stated minimum.

- Each client will be required to sign a management agreement prior to the firm's acceptance of the client's assets for advisory services.

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

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**Investment Strategies**

The primary investment strategies employed by PPSG are defined by their potential reward and risk characteristics and include:

- a conservative approach appropriate for investors who seek equity-like returns over the long-term, but are concerned about the equity market's potential for significant downside volatility. This approach typically favors the stocks of mid-to-large capitalization companies.
- a growth equity approach appropriate for investors who seek growth of capital over the long term and are able to tolerate market-like interim volatility. This approach considers investment opportunities across the entire market capitalization spectrum.
- a fixed income approach appropriate for investors seeking stability of principal. This approach invests primarily in short and intermediate duration, high quality corporate and municipal bonds, and debt securities issued by the U.S. government and its agencies

When consistent with a client's circumstances and investment objectives, we will position a portfolio to incorporate a blend of two or more of the above mentioned approaches.

Any type of investment that involves additional degrees of risk will be implemented only when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

**Methods of Analysis and Sources of Information**

Our equity investment research incorporates fundamental analysis of both "top-down" and "bottom-up" perspectives. The top-down considerations include economic and industry conditions and focuses on potential investment opportunities arising from changes in government regulations, technology, industry consolidations, and demographics. Our bottom-up, or company-specific, research involves analyzing financial statements to understand the general financial health of a company, reviewing the strengths and weaknesses of the management team, and assessing the advantages or disadvantages the company may have versus its competitors.

We utilize a variety of information sources, including:

- Securities and Exchange Commission filings
- Various industry research materials
- Financial newspapers and magazines
- Company presentations and research conferences
- Technical industry meetings
- Site visits and conversations with vendors, customers and competitors

The information collected from these sources complements PPSG own research of investment opportunities for its clients.

Through our analysis, we attempt to establish the future value of a company's security so that we can determine if the security's current price presents a reasonable investment opportunity given our understanding of the security's future potential and risks.

Our analysis of fixed income securities emphasizes fundamental research of the debt issuer where credit risk is of concern. We employ relative valuation analysis to guide our purchase and sale decisions.

### **Risk of Loss**

Investing in securities involves the risk of capital loss that all clients should be prepared to bear. Additionally, we cannot guarantee that we will achieve the stated investment objectives of our strategies. Below are some of the specific material risks of investing in our strategies:

**Market Risk:** Market risk involves the possibility that an investments' current market value will fall because of a general market decline, reducing the value of the investment regardless of the operational success of the issuer's operations or its financial condition.

**Company Risk:** The underlying earnings or operational growth we anticipate may not occur, or the market price of the security may not increase as we expect it to.

**Small and Medium Capitalization Company Risk:** Securities of companies with small and medium market capitalizations are often more volatile and less liquid than investments in larger companies. Small and medium cap companies may face a greater risk of business failure, which could increase the volatility of the client's portfolio.

**Interest Rate Risk:** Bond (fixed income) prices generally fall when interest rates rise, and the value may fall below par value or the principal investment. The opposite is also generally true: bond prices generally rise when interest rates fall. In general, fixed income securities with longer maturities are more sensitive to these price changes.

**Credit Risk:** An issuer of debt securities may fail to make interest payments and repay principal when due, in whole or in part. Changes in an issuer's financial strength or in a security's credit rating may affect a security's value.

**Information Risk:** Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

**Risks for longer-term investment horizon:** Our investment strategies are principally directed to the long-term outlook. Thus, securities purchased for our clients are generally held for at least a year. A risk in a long-term purchase strategy is that by holding a security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

However, we are always alert to the necessity to respond to changes in the securities markets and in our investment outlook for any particular security. Therefore, we may sell a position that has been in a portfolio for less than a year.

**Margin Transaction Risk:** If a client has a margin account, we can purchase stock for that portfolio with money borrowed from the client's brokerage account. This allows us to take advantage of opportunities to purchase shares of a company without having to raise cash by selling other holdings. A risk in margin trading is that, in volatile markets, securities prices can fall very quickly. If the value of the securities in an account minus what is owed to the broker falls below a certain level, the broker will issue a margin call. The margin call is required to be covered either by selling a position(s) in the portfolio or by depositing additional cash in the account. In some circumstances, clients may lose more money than they originally invested.

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**Item 9: Disciplinary Information**

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The firm and its personnel have no reportable disciplinary events to disclose in response to this item.

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**Item 10: Other Financial Industry Activities and Affiliations**

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PPSG's associated person, Robert T. Hoffman is the managing member of POPP LLC which is the general partner of Princeton Opportunity Partners, LP ("POPP"), a pooled investment vehicle, and he is also the managing member of Princeton Opportunity Management LLC ("POM"), the investment advisor to POPP. Mr. Hoffman, Mr. Hamill and certain clients of PPSG are limited partners in POPP through direct investments in that fund made outside of their association with PPSG.

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**Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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**Code of Ethics**

PPSG has adopted a Code of Ethics, as required by Rule 204A-1 under the Investment Advisers Act of 1940, which describes our standard of business conduct, and our fiduciary duty to our clients. Additionally, it serves as a guide to make our employees aware of what conduct and behavior is expected of them, including their personal securities transactions, and rules against trading upon material nonpublic information so that they do not take inappropriate advantage of their positions and the access to information that comes with their position.

Our Code of Ethics is updated periodically to ensure that it maintains compliance with applicable laws and regulations and meets the needs of our clients. All members of the firm attest to an understanding of the Code whenever it is amended but no less than annually.

A copy of PPSG's Code of Ethics will be provided to clients and prospective clients upon request.

**Participation or Interest in Client Transactions**

Neither PPSG nor any related person of PPSG recommends, buys, or sells for client accounts, securities in which PPSG or any related person of PPSG has a material financial interest.

Notwithstanding, PPSG's associated person, Robert T. Hoffman is the managing member of POPP LLC which is the general partner of Princeton Opportunity Partners, LP ("POPP"), a pooled investment vehicle, and he is also the managing member of Princeton Opportunity Management LLC ("POM"), the investment advisor to POPP. Both Mr. Hoffman and Mr. Hamill and certain clients of PPSG are limited partners in POPP through direct investments in that fund made outside of their association with PPSG. PPSG client accounts do not invest in POPP.

Mr. Hoffman may have an incentive to recommend to PPSG clients that they invest in POPP, which might be viewed as a conflict of interest. However, Mr. Hoffman's responsibilities with PPSG do not include recommending specific investments to PPSG clients nor does he buy or sell securities for PPSG client accounts. In addition, PPSG does not allocate any client assets to POPP. Other than Mr. Hoffman through his association with POPP LLC and POM, neither PPSG nor a related person has a financial interest in recommending to clients or prospective clients an investment in POPP. PPSG is not otherwise related to POPP or POM. In addition, it is possible that POPP invests in the same securities at or about the same time as PPSG invests in those securities for client accounts.

Employees of PPSG are permitted to maintain managed accounts at PPSG. These accounts are managed by PPSG pursuant to the same strategies and policies used for other clients. Therefore, the employee accounts will normally buy and sell securities identical to those bought or sold for accounts of other PPSG

clients. As a result, an employee may, in their account held at PPSG, have an interest or position in securities that may also be purchased or sold for a client. Furthermore, as described below, such employee accounts will also participate along with other PPSG clients in aggregated brokerage orders. We believe that such activity will not normally present any conflict of interest because the employee accounts will be buying or selling the same securities and participating in brokerage transactions on a pro rata basis with other clients, based on account size, at the same time and at the same price and brokerage cost. The securities in which PPSG accounts invest are generally highly liquid and the participation of employee accounts in an order is unlikely to affect the price or availability of the security for other clients.

### **Personal Trading**

PPSG does not buy securities for its own account, so no potential conflict of interest exists at the firm level. However, personal trading by employees is allowed. Employees may own the same securities as clients; however we require that client accounts take priority over an employee's personal trading.

To provide transparency and to guard against any conflict of interest, PPSG has established the following restrictions pertaining to personal securities transactions:

1. No associate of the firm may put his or her own interest above the interest of an advisory client.
2. We prohibit the use of material non-public information. Therefore, no associate of PPSG may buy or sell securities for their personal account(s) if their decision is based on information received as a result of his or her employment unless the information is also available to the investing public.
3. We require prior approval for any IPO or limited offering (private placement) investment by any associate of the firm.
4. Unless transactions for our associates are part of an aggregated order, associates may purchase or sell a security for his/her personal account(s) only after client transactions for that security are completed.
5. We require quarterly transaction reports and annual reports of securities holdings from all associates of our firm. These reports are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.
6. We have established procedures for the maintenance of all required books and records.
7. Our firm and all associates must act in accordance with Federal and State regulations governing registered investment advisory practices.
8. Annually, all associates of our firm are required to acknowledge that they have read and will abide by the Code of Ethics.
9. Any Code of Ethics violations are reported to our senior management.
10. Any associate who violates any of the above restrictions may be subject to termination.

## **Item 12: Brokerage Practices**

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### **Selecting Brokerage Firms**

PPSG will recommend broker/dealers to clients and will endeavor to select those that provide the best services at the lowest commission rates possible. Our recommendations are based on the broker/dealer's stability, reputation, ability to provide professional services, competitive commission rates and prices, research, trading platform, and other services that will help us provide investment management services to our clients. In evaluating the services that are provided to our firm, some of the things we consider are:

- on-line access to client accounts
- facilitation of trade executions and the aggregation of orders for multiple accounts
- research, pricing and other market data
- the ability to place electronic orders with our portfolio management system
- quality of communication with us on issues related to client accounts

We may, at our discretion, place client transactions with broker/dealers who provide supplemental investment research or other services or products. Such research, services and products may include company and industry information through written and verbal reports and research seminars. PPSG does not attempt to put a specific dollar value on the services or products rendered or to allocate the relative costs or benefits of those services among all clients, believing that the research we receive will help us to fulfill our overall duty to our clients. We may not use each particular research service to service each client. As a result, a client may pay brokerage commissions that are used, in part, to purchase research services that are not used to benefit that specific client. Broker/dealers we select may be paid commissions that exceed the amounts other broker/dealers would have charged. However, we endeavor to determine, in good faith, that such amounts are reasonable in relation to the value of the brokerage and/or research services provided.

The foregoing may be perceived to be a conflict of interest. When PPSG receives products or services from the broker/dealer, it does not have to produce or pay for that benefit. PPSG arguably would have an incentive to select or recommend a broker-dealer based on PPSG's interest in receiving the products or services, rather than on the client's interest in receiving most favorable execution.

However, the firm feels that it has addressed this potential conflict because PPSG's clients do not pay more for investment transactions effected and/or assets maintained at a particular broker-dealer or custodian as a result of PPSG's receipt of such products or services. There is no corresponding commitment made by PPSG or any other any entity to invest any specific amount or percentage of client assets in any specific securities, mutual funds or other investment products as a result of PPSG receiving these products or services. Further, and most importantly, the products or services received are available to any investment manager executing securities transactions through the broker-dealer, regardless of the volume of execution.

#### **Soft Dollars**

Where an advisor contractually agrees to pay more than the lowest available commission to a broker in exchange for research products and services, the payments and arrangements are referred to as "soft dollars". PPSG does not enter into soft dollar arrangements.

#### **Brokerage for Client Referrals**

We do not consider client referrals when we select a broker to execute client transactions.

#### **Directed Brokerage**

When undertaking an advisory relationship with us, clients may have a relationship with a broker that they wish to maintain and may direct us to execute all transactions through that broker. When a client directs us to use a particular broker, we may not have authority to negotiate commissions, obtain volume discounts, aggregate that client's orders or ensure best execution. In addition, under these circumstances, a disparity in commission charges may exist with the commissions charged to other client accounts.

In circumstances where we are unable to aggregate a client's order and an employee wishes to trade in the same security for his/her personal account, also on an unaggregated basis, the employee may trade that security only after the client's transaction for that security is completed. As detailed in the Personal Trading section of Item 11, client accounts take priority over an employee's personal trading.

Furthermore, in certain circumstances, broker/dealers may refer clients to us. In such a case, a conflict of interest may exist between the client's interest in obtaining best execution and our interest in receiving future referrals. To alleviate this conflict, PPSG will not make commitments to any broker-dealer to compensate that broker-dealer through brokerage transactions for client referrals.

### **Order Aggregation**

Although we individually manage client accounts, we often will purchase or sell the same securities for many accounts if it is in the best interests of each client, and consistent with our duty to seek best execution.

When possible, we will group the same transactions in the same securities (aggregate trade) for many clients who have the same directed brokerage firm. Also, when practical, we will aggregate the same transactions in the same securities for many clients for whom we have discretion to direct brokerage. Clients in an aggregated transaction will each receive the same price per share and no client will be favored over another client.

Our policy and procedures for aggregated transactions are as follows:

1. The portfolio manager determines which clients will participate in the block trade based on client investment objectives, guidelines or restrictions.
2. Prior to placing an aggregated order, an order ticket is created that identifies each account participating in the order and the allocation of the order.
3. If the order cannot be executed in full by the close of the business day, the transacted securities will be allocated pro-rata among the participating accounts in accordance with the allocation order. Adjustments to the pro-rata allocation may be made to avoid having odd amounts of shares held in any account, or to avoid excessive ticket charges in smaller accounts.
4. Accounts that participate in the aggregated order do so at the average price for all separate transactions made to fill the order.
5. Our client account records separately reflect, for each account in which the aggregated transaction occurred, the securities that are held by, and bought and sold for, that account.
6. No client or account will be favored over another.
7. Associates of the firm may participate in aggregated trades.

## **Item 13: Review of Accounts**

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### **Periodic Reviews**

While the underlying securities held in client accounts are continuously monitored, client accounts are reviewed at least quarterly by PPSG's principals. Account performance and holdings are reviewed in the context of each client's stated investment objectives and guidelines. All PPSG clients are advised that it remains their responsibility to advise PPSG of any changes in their investment objectives and/or financial situation.

### **Other Reviews**

Special reviews of an account may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

### **Reports**

We issue written reports to our clients on a quarterly basis. These reports generally contain a list of assets, investment results, and statistical data related to the client's account, along with interpretive comments on investment positions and/or the general investment environment. Clients are provided, at least quarterly, with transaction confirmations and statements directly from their custodians.

## **Item 14: Payment for Client Referrals and Other Compensation**

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See the discussion in this Disclosure Brochure to Item 12 concerning benefits received by the firm from the broker-dealer in connection with execution of client securities transactions.

PPSG does not have any arrangements, whether oral or written, to compensate any person directly or indirectly for client referrals.

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**Item 15: Custody**

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PPSG does not custody client funds or securities. We are deemed to have custody as defined by the Investment Advisors Act of 1940 only to the extent that we have authorization to deduct advisory fees directly from client accounts.

Client assets (securities and funds) are to be maintained with a “qualified” custodian (U.S.-based banks and registered broker-dealers are among those defined as qualified as custodians under the Investment Advisers Act of 1940). Your qualified custodian is required to send you a statement of your account at least quarterly. PPSG urges clients to carefully review such statements and compare the official custodial records to the account statements that we may provide to them. The information in our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

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**Item 16: Investment Discretion**

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We provide discretionary asset management services for our clients. Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell
- determine the amount of the security to buy or sell
- execute the transaction

Clients give us discretionary authority when they sign a Client Agreement with our firm. If mutually agreeable, clients may limit this authority through written instructions (for example, directed brokerage or restrictions on particular securities). Clients may change/amend such limitations by once again providing us with written instructions.

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**Item 17 Voting Client Securities**

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**Responsibility for Voting**

Except as otherwise set forth in the next paragraph, it is the policy of our firm to not have authority to vote proxies for client accounts. Clients will receive proxies directly from their custodian. If a client requests our assistance on a proxy voting issue, we will provide information about a company or an issue, but clients retain the right to vote proxies.

As exceptions to our policy, we will vote proxies (1) for clients covered by ERISA only if proxy voting authority is not retained by a plan fiduciary, and (2) as required by wrap fee sponsors. Also, when an associate of our firm serves as a trustee of a trust under our management, that associate may vote proxies in the capacity of a trustee, not in the capacity of an associate of the firm.

**Primary Consideration in Voting**

If we are required to vote proxies for a client, PPSG will vote in the best interest of our clients. Further, our policy is to vote all proxies from a specific issuer the same way for each client absent client-provided qualifying restrictions.

**Conflicts of Interest**

PPSG will identify any potential conflict of interest existing between itself and its clients by determining if any PPSG employee has a financial, business or personal relationship to the issuer. If a material conflict exists, PPSG's Chief Compliance Officer will determine whether it is appropriate to:

- a) Disclose the conflict to the affected clients in writing (and consent received from the affected clients prior to voting),
- b) Give clients an opportunity to vote proxies themselves, or
- c) Address the voting issue through other objective means such as receiving an independent third-party voting recommendation.

**Proxy Voting Records**

Clients may also obtain information from us about how we voted any proxies on behalf of their account(s) upon request.

**Proxy Voting Policy and Summary**

Clients may obtain a copy of our complete proxy voting policies and procedures upon request.

**Item 18: Financial Information**

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In certain circumstances, registered investment advisors are required to provide financial information or disclosures about their financial condition in this item.

PPSG has no financial commitments that impair its ability to meet contractual and fiduciary commitments to clients and has never been the subject of bankruptcy proceedings. Additionally, PPSG does not receive fees more than six months in advance. Therefore, PPSG is not required to provide such financial information or disclosures for this item.