

Disclosure Brochure

April 3, 2013



NORTHLANDING
Financial Partners, LLC

a Registered Investment Adviser

This brochure provides information about the qualifications and business practices of NorthLanding Financial Partners, LLC (hereinafter "NLFP" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed below. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at www.adviserinfo.sec.gov. NLFP is an SEC registered investment adviser. Registration does not imply any level of skill or training.

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Item 2. Material Changes

In this Item, NLFP is required to discuss any material changes that have been made to the brochure since the last annual amendment. As this brochure has been prepared in connection with the Firm's initial application for investment adviser registration, there are no such material changes to disclose.

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Item 4. Advisory Business

NLFP offers a variety of advisory services which include financial planning, consulting and investment management. As this is NLFP's initial application for investment adviser registration, the Firm does not have any assets under management to report as of the date of this filing. Prior to rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with NLFP setting forth the relevant terms and conditions of the advisory relationship (the "Agreement").

NLFP provides dynamic management in an effort to adapt portfolio allocation to an ever-changing economic environment in order to manage portfolio risk. To that end, the Firm will analyze client information to assess a client's current situation, define their goals and determine what should be done in order to meet those goals. Depending on what services the Firm is engaged to provide, this could entail analyzing client assets, liabilities and cash flow, current insurance coverage, investments, tax strategies, and other personal goals and desired outcomes. The Firm believes an approach that carefully monitors client portfolios and leverages technology to effectively manage client assets plays a central role in meeting client objectives.

NLFP has been an independent registered investment adviser since the date of this filing and is principally owned by Scott G. Klatt, H. Robert Bradley, Mark B. Jones and Bryce P. Carey.

While this brochure generally describes the business of NLFP, certain sections also discuss the activities of its *Supervised Persons*, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on NLFP's behalf and is subject to the Firm's supervision or control.

Financial Planning and Consulting Services

NLFP offers clients a range of financial planning and consulting services, which may include any or all of the following functions:

- Cash Flow Forecasting
- Asset Allocation
- Estate Planning
- Investment Consulting
- Insurance Needs Analysis
- Retirement Plan Analysis
- Risk Management
- Retirement Income & Distribution Planning

While each of these services is available on a stand-alone basis, certain of them may also be rendered as part of a comprehensive client engagement (as described below).

The Firm can be engaged for either core or advanced services as part of the Financial Clarity Advantage ("FCA") process which includes financial planning and consulting. NLFP typically will analyze and review data and documents provided by clients, evaluate a client's ability to meet objectives, provide

observations, identify problems and recommend strategies. A client will receive a summary which reflects their current financial circumstances, financial outlook, personal prerogatives and objectives in any one or all of the above-mentioned function areas.

In performing these services, pursuant to the FCA process, NLFP is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. NLFP may recommend the services of itself, its *Supervised Persons* in their individual capacities as insurance agents or registered representatives of a broker-dealer, and/or other professionals to implement its recommendations.

Clients are advised that a conflict of interest may arise if NLFP recommends its own services for implementation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by NLFP under a financial planning or consulting engagement or to engage the services of any such recommended professionals, including NLFP itself. Clients are advised that it remains their responsibility to promptly notify the Firm if there is ever any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising NLFP's previous recommendations and/or services.

Investment Management Services

NLFP manages client investment portfolios primarily on a discretionary basis but may also manage portfolios on a non-discretionary basis.

NLFP principally allocates client assets among exchange-traded funds ("ETFs") and may allocate assets among mutual funds. Individual equity and debt securities may also be employed. Further, the Firm may allocate funds among master limited partnerships ("MLPs") and various independent investment managers ("*Independent Managers*"), as well as the securities components of variable annuities and variable life insurance contracts, in accordance with the investment objectives of its individual clients. In addition, NLFP may also recommend that clients who qualify as accredited investors, as defined by Rule 501 of the Securities Act of 1933, invest in privately placed securities, which may include debt, equity and/or interests in pooled investment vehicles (e.g., hedge funds). Where appropriate, the Firm may also provide advice about any type of legacy position or other investment held in client portfolios.

Clients may also engage NLFP to advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts, and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, NLFP directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

NLFP tailors its advisory services to meet the needs of its individual clients and continuously seeks to ensure that client portfolios are managed in a manner consistent with their specific investment profiles.

NLFP consults with clients on an initial and ongoing basis to determine their specific risk tolerance, time horizon, liquidity constraints and other factors relevant to the management of their portfolios. Clients are advised to promptly notify NLFP if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients may impose reasonable restrictions or mandates on the management of their accounts if NLFP determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the firm's management efforts.

Use of Independent Managers

As mentioned above, NLFP may recommend certain *Independent Managers* to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an *Independent Manager* are set forth in a separate written agreement between the designated *Independent Manager* and either NLFP or the client. In addition to this brochure, clients also receive the written disclosure documents of the designated *Independent Managers* engaged to manage their assets. NLFP does not receive compensation from any such *Independent Managers*.

NLFP evaluates various information about the *Independent Managers* chosen to manage client portfolios. The Firm generally reviews a variety of different resources, which may include the *Independent Managers*' public disclosure documents, materials supplied by the *Independent Managers* themselves, and other third-party analyses it believes are reputable. To the extent possible, the Firm seeks to assess the *Independent Managers*' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposures. NLFP also takes into consideration each *Independent Manager's* management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other related factors.

NLFP continues to provide services relative to the discretionary or non-discretionary selection of the *Independent Managers*. On an ongoing basis, the Firm monitors the performance of those accounts being managed by *Independent Managers* by reviewing the summary account statements and trade confirmations produced by the *Financial Institutions*, as well as other performance information furnished by the *Independent Managers* and/or other third-party providers. NLFP seeks to ensure the *Independent Managers*' strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Item 5. Fees and Compensation

NLFP offers its services on a fee basis, which may include hourly and/or fixed fees, as well as fees based upon assets under management or advisement. Additionally, certain of NLFP's *Supervised Persons*, in their individual capacities, may offer securities brokerage services and insurance products under a separate commission arrangement.

Financial Planning and Consulting Fees

NLFP generally charges either a negotiable hourly or a fixed fee to provide clients with stand-alone financial planning or consulting services. These fees are largely determined by the scope and complexity of the agreed upon services and range from \$750 to \$12,000 on a fixed fee basis or \$200 to \$400 on an hourly basis.

The specific terms and fee structure are negotiated in advance and set forth in the *Agreement* with NLFP. Generally, NLFP requires one-half of the financial planning or consulting fee payable upon execution of the *Agreement* and the balance due at the time the financial plan is delivered or the underlying services are rendered to completion. Clients may elect to have NLFP directly debit fees or send them an invoice for payment.

Investment Management Fees

NLFP provides investment management services for an annual fee based on the amount of assets under the firm's management. This fee varies depending upon the size of a client's portfolio and the type of services rendered, based on the following progressive tiered fee schedule:

PORTFOLIO VALUE	ANNUAL FEE
\$0 to \$500,000	1.00%
\$500,001 to \$1,000,000	0.75%
\$1,000,001 to \$3,000,000	0.50%
\$3,000,001 to \$5,000,000	0.40%
\$5,000,001 to \$10,000,000	0.25%
Above \$10,000,000	Negotiable

This fee is prorated and charged quarterly in arrears, based upon the market value of the assets being managed by NLFP on the last day of the previous billing period.

For the initial term of an engagement, the fee is calculated on a *pro rata* basis. In the event the *Agreement* is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding balance is charged to the client, as appropriate.

Fee Discretion

NLFP, in its sole discretion, may negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be

managed, related accounts, account composition, pre-existing client relationship, account retention and *pro bono* activities.

Additional Fees and Expenses

In addition to the advisory fees paid to NLFP, clients may also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "*Financial Institutions*"). These additional charges may include securities brokerage commissions, transaction fees, custodial fees, fees charged by the *Independent Managers*, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions.

Fee Debit

Clients may grant NLFP the authority to directly debit their accounts for payment of the Firm's investment advisory fees. The *Financial Institutions* that act as qualified custodian for client accounts have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to NLFP.

Account Additions and Withdrawals

Clients may make additions to and withdrawals from their account at any time, subject to NLFP's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to NLFP, subject to the usual and customary securities settlement procedures. However, NLFP designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. NLFP may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

Commissions or Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with NLFP (but not NLFP) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with NLFP.

Under this arrangement, the Firm's *Supervised Persons*, in their individual capacities as registered representatives of Wall Street Financial Group, Inc. ("*WSFG*"), may provide securities brokerage services and implement securities transactions under a separate commission based arrangement. *Supervised*

Persons may be entitled to a portion of the brokerage commissions paid to *WSFG*, as well as a share of any ongoing distribution or service (trail) fees from the sale of mutual funds. NLFP may also recommend no-load or load-waived funds, where no sales charges are assessed. Prior to effecting any transactions, clients are required to enter into a separate account agreement with *WSFG*. NLFP does not receive any portion of the commissions or transactional fees charged by *WSFG*.

A conflict of interest exists to the extent that NLFP recommends the purchase of securities where NLFP's *Supervised Persons* receive commissions or other additional compensation as a result of NLFP's recommendations. NLFP has procedures in place to ensure that any recommendations made by such *Supervised Persons* are in the best interest of clients. For certain accounts covered by the Employee Retirement Income Security Act ("ERISA"), and such others that NLFP, in its sole discretion, deems appropriate, NLFP may provide its investment advisory services on a fee-offset basis. In this scenario, NLFP may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by NLFP's *Supervised Persons* in their individual capacities as registered representatives of *WSFG*.

Item 6. Performance-Based Fees and Side-by-Side Management

NLFP does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

Item 7. Types of Clients

NLFP provides its services primarily to individuals, estates, charitable organizations, corporations and other business entities.

Minimum Account Requirements

NLFP does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management or FCA relationship. However, as a condition for starting and engaging the Firm for a stand-alone financial planning or FCA relationship, NLFP generally imposes a minimum fee of \$750 for core services and a minimum fee \$1,750 for advanced services.

This minimum fee may have the effect of making NLFP's services cost prohibitive for certain clients. NLFP, in its sole discretion, may waive its minimum annual fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client relationships, account retention, and *pro bono* activities.

Certain *Independent Managers* may impose more restrictive account requirements and varying billing practices than NLFP. In these instances, NLFP may alter its corresponding account requirements and/or billing practices to accommodate those of the *Independent Managers*.

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

Methods of Analysis

NLFP may utilize a combination of fundamental, technical, cyclical and behavioral finance methods of analysis.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For NLFP, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific issuer information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that NLFP will be able to accurately predict such a reoccurrence.

Cyclical analysis is similar to technical analysis in that it involves the assessment of market conditions at a macro (entire market or economy) or micro (company specific) level, rather than focusing on the overall fundamental analysis of the health of the particular company that NLFP is recommending. The risks with cyclical analysis are similar to those of technical analysis.

Behavioral Finance analysis involves an examination of conventional economic as well as behavioral and cognitive psychological factors. Behavioral finance methodology seeks to combine a qualitative and quantitative approach to provide explanations for why individuals may, at times, make irrational financial decisions. Where conventional financial theories have failed to explain certain patterns, the behavioral finance methodology investigates the underlying reasons and biases that cause some people to behave against their best interests. Risks of relying on a behavioral finance analysis include spotting trends in human behavior that may not predict future trends.

Investment Strategies

NLFP offers custom and portfolio allocation strategies to its clients for the management of their investment portfolios. Both allocation strategies begin with determining an appropriate strategic allocation based on the client's investment goals, objectives, time horizon and risk tolerance.

With both custom and portfolio allocation strategies, the underlying assets are regularly reviewed to determine if each asset class is appropriate to be included in the portfolio. The Firm takes into account a myriad of factors when making these determinations. The models range from aggressive accumulation to preservation of capital. While restrictions cannot typically be placed on the model portfolios, NLFP offers its clients more flexibility when participating in custom portfolios.

Risks of Loss

General Risk of Loss

Investing in securities involves the risk of loss. Clients should be prepared to bear potential losses.

Market Risks

The profitability of a significant portion of NLFP's recommendations may depend to a great extent upon correctly assessing the future course of price movements of stocks and bonds. There can be no assurance that NLFP will be able to predict those price movements accurately.

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed-based ETFs and more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their *pro rata* NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Independent Managers

NLFP may recommend the use of *Independent Managers*. In these situations, NLFP continues to do ongoing due diligence of such managers, but such recommendations rely to a great extent on the *Independent Managers'* ability to successfully implement their investment strategies. In addition, NLFP generally may not have the ability to supervise the *Independent Managers* on a day-to-day basis.

MLPs

MLPs are collective investment vehicles, the partnership interests of which are publicly traded on national securities exchanges. MLPs invest primarily in companies within the energy sector that engage in qualifying lines of business, such as natural resource production and mineral refinement. MLPs are therefore subject to the underlying volatility of the energy industry and may be adversely affected by changes to supply and demand, regional instability, currency spreads, inflation, and interest rate fluctuations, among other such factors. In addition, MLPs operate as pass-through tax entities, meaning that investors are liable for their *pro rata* share of the partnership taxes, regardless of the types of accounts where the interests of are held.

Real Estate Investment Trusts (REITs)

NLFP may recommend an investment in, or allocate assets among, various real estate investment trusts ("REITs"), the shares of which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle's shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

Management Through Similarly Managed "Model" Accounts

NLFP manages certain accounts through the use of similarly managed "model" portfolios, whereby the firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, the firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard

to a client's individual tax ramifications. Clients should contact NLFP if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

Item 9. Disciplinary Information

NLFP has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

Registered Representatives of Broker Dealer

Certain of the Firm's *Supervised Persons* are registered representatives of WSFG and may provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

Receipt of Insurance Commission

Certain of NLFP's *Supervised Persons*, in their individual capacities, are also licensed insurance agents. When appropriate, these *Supervised Persons*, in their individual capacities, may recommend the purchase of certain insurance products to advisory clients on a fully-disclosed commission basis. A conflict of interest exists to the extent that NLFP recommends the purchase of insurance products where its *Supervised Persons* receive insurance commissions or other additional compensation. As a result NLFP has procedures in place to ensure that any recommendations made by such *Supervised Persons* are in the best interest of its clients.

Item 11. Code of Ethics

NLFP and persons associated with NLFP ("Associated Persons") are permitted to buy or sell securities that it also recommends to clients consistent with the Firm's policies and procedures.

NLFP has adopted a code of ethics that sets forth the standards of conduct expected of its associated persons and requires compliance with applicable securities laws ("*Code of Ethics*"). NLFP's *Code of Ethics* contains written policies reasonably designed to prevent the unlawful use of material non-public information by the Firm or any of its associated persons. The *Code of Ethics* also requires that certain of NLFP's personnel (called "*Access Persons*") report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no *Access Person* may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the *Access Person*) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the *Access Person* is completed as part of a batch trade (as defined below in Item 12) with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

This *Code of Ethics* has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by *Access Persons* to be completed without any appreciable impact on the markets of such securities. Therefore, under certain limited circumstances, exceptions may be made to the policies stated above.

Clients and prospective clients may contact NLFP to request a copy of its *Code of Ethics*.

Item 12. Brokerage Practices

NLFP generally recommends that clients utilize the brokerage and clearing services of Fidelity Institutional Wealth Services ("*Fidelity*") for investment management accounts.

Factors which NLFP considers in recommending *Fidelity* or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. *Fidelity* enables NLFP to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by *Fidelity* may be higher or lower than those charged by other *Financial Institutions*.

The commissions paid by NLFP's clients comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified *Financial Institution* might charge to effect the same transaction where NLFP determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a *Financial Institution's* services, including among others, the value of research provided, execution capability, commission rates, and responsiveness.

NLFP seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

NLFP periodically and systematically reviews its policies and procedures regarding its recommendation of *Financial Institutions* in light of its duty to obtain best execution.

The client may direct NLFP in writing to use a particular *Financial Institution* to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that *Financial Institution*, and the Firm will not seek better execution services or prices from other *Financial Institutions* or be able to “batch” client transactions for execution through other *Financial Institutions* with orders for other accounts managed by NLFP (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, NLFP may decline a client’s request to direct brokerage if, in the Firm’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Transactions for each client generally will be effected independently, unless NLFP decides to purchase or sell the same securities for several clients at approximately the same time. NLFP may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among NLFP’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among NLFP’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that NLFP determines to aggregate client orders for the purchase or sale of securities, including securities in which NLFP’s *Supervised Persons* may invest, the Firm generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. NLFP does not receive any additional compensation or remuneration as a result of the aggregation. In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a *de minimis* allocation in one or more accounts, NLFP may

exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist NLFP in its investment decision-making process. Such research generally will be used to service all of the Firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because NLFP does not have to produce or pay for the products or services.

Commissions or Sales Charges for Recommendations of Securities

As discussed above, certain *Supervised Persons* in their respective individual capacities, are registered representatives of *WSFG*. These *Supervised Persons* are subject to FINRA Rule 3040 which restricts registered representatives from conducting securities transactions away from their broker-dealer unless *WSFG* provides written consent. Therefore, clients are advised that certain *Supervised Persons* may be restricted to conducting securities transactions through *WSFG* unless they first secure written consent from *WSFG* to execute securities transactions through a different broker-dealer. Absent such written consent or separation from *WSFG*, these *Supervised Persons* are prohibited from executing securities transactions through any broker-dealer other than *WSFG* under *WSFG*'s internal supervisory policies. NLFP is cognizant of its duty to obtain best execution and has implemented policies and procedures reasonably designed in such pursuit.

Software and Support Provided by Financial Institutions

NLFP may receive from *Fidelity*, without cost to NLFP, computer software and related systems support, which allow NLFP to better monitor client accounts maintained at *Fidelity*. NLFP may receive the software and related support without cost because NLFP renders investment management services to clients that maintain assets at *Fidelity*. The software and support is not provided in connection with securities transactions of clients (i.e. not "soft dollars"). The software and related systems support may benefit NLFP, but not its clients directly. In fulfilling its duties to its clients, NLFP endeavors at all times to put the interests of its clients first. Clients should be aware, however, that NLFP's receipt of economic benefits from a broker-dealer creates a conflict of interest since these benefits may influence NLFP's choice of broker-dealer over another broker-dealer that does not furnish similar software, systems support or services.

Additionally, NLFP may receive the following benefits from *Fidelity* through the Fidelity Institutional Wealth Services Group: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk that exclusively services its Institutional Wealth Services Group participants; access to block

trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and access to an electronic communication network for client order entry and account information.

Item 13. Review of Accounts

Account Reviews

For those clients to whom NLFP provides investment management services, NLFP monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least a quarterly basis. Model portfolios are reviewed monthly. For those clients to whom NLFP provides financial planning and/or consulting services, reviews are conducted on an “as needed” basis. Such reviews are conducted by the Firm’s Chief Investment Officer and the Firm’s Investment Direction Committee. All investment advisory clients are encouraged to discuss their needs, goals and objectives with NLFP and to keep NLFP informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client’s financial situation and/or investment objectives.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the *Financial Institutions* where their assets are custodied. From time-to-time or as otherwise requested, clients may also receive written or electronic reports from NLFP and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with those they receive from NLFP or an outside service provider.

Those clients to whom NLFP provides financial planning and/or consulting services will receive reports from NLFP summarizing its analysis and conclusions as requested by the client or as otherwise agreed to in writing by NLFP.

Item 14. Client Referrals and Other Compensation

Client Referrals

If a client is introduced to NLFP by either an unaffiliated or an affiliated solicitor, NLFP may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee is paid solely from NLFP’s investment management fee, and does not result in any additional charge to the client. If the client is introduced to NLFP by an unaffiliated solicitor, the solicitor provides the client with a copy of NLFP’s

written disclosure brochure which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of NLFP discloses the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of NLFP's written disclosure brochure at the time of the solicitation.

Alternatively, if the firm introduces a client or prospective client to a registered investment adviser in exchange for a referral fee, NLFP will do so in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements (as described above).

Other Economic Benefits

NLFP is required to disclose any relationship or arrangement where it receives an economic benefit from a third party (non-client) for providing advisory services. This type of relationship poses a conflict of interest and any such relationship is disclosed in response to Item 12, above.

Item 15. Custody

NLFP's *Agreement* and/or the separate agreement with any *Financial Institution* may authorize NLFP through such *Financial Institution* to debit the client's account for the amount of NLFP's fee and to directly remit that management fee to NLFP in accordance with applicable custody rules.

The *Financial Institutions* recommended by NLFP have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to NLFP. In addition, as discussed in Item 13, NLFP also sends periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the *Financial Institutions* and compare them to those received from NLFP.

Item 16. Investment Discretion

NLFP is given the authority to exercise discretion on behalf of clients. NLFP is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. NLFP is given this authority through a power-of-attorney included in the agreement between NLFP and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). NLFP takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold; and
- When transactions are made.

Item 17. Voting Client Securities

NLFP is required to disclose if it accepts authority to vote client securities. NLFP does not vote client securities on behalf of its clients. Clients receive proxies directly from the *Financial Institutions*.

Item 18. Financial Information

NLFP is not required to disclose any financial information pursuant to this Item due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.



NORTHLANDING
Financial Partners, LLC

Prepared by:



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The Adviser's Advisor®