

**Item 1: Cover Page**  
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**April 2014**

**FORM ADV PART 2A.**  
**BROCHURE**

**This brochure provides information about the qualifications and business practices of Macke Financial Advisory Group, Inc. If you have any questions about the contents of this brochure, please contact us at 239-275-1122. 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 Macke Financial Advisory Group, Inc. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Macke Financial Advisory Group, Inc. is 111318.**

**Macke Financial Advisory Group, Inc. is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority, or any reference to or use of the terms "registered", "registration" or "registered investment adviser" does not imply a certain level of skill or training.**

## **Item 2: Material Changes**

This Disclosure Brochure was updated to reflect an updated amount of assets under management in Item 4 and a change to the Annual Fixed Fee and hourly fees in Item 5 and the change of the Compliance Officer for the firm in Item 4.

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## Advisory Business

Form ADV Part 2A, Item 4

Macke Financial Advisory Group, Inc.(the “firm” or the “Firm”) has been registered with the United States Securities and Exchange Commission since February 7, 2000. Todd Christopher Macke is President and sole equity owner of the firm. Todd Christopher Macke is also the Chief Compliance Officer of the firm. The firm is not publicly owned or traded. There are no indirect owners of the firm or intermediaries, which have any ownership interest in the firm. As of December 31, 2013, the firm managed on a discretionary basis \$140,781,498 in assets. The firm tailors its services to each client and manages each client account on an individualized basis. Clients may impose restrictions on our services for their accounts, including not investing in certain securities or types of securities.

The firm may provide its clients with a broad range of comprehensive financial planning and consulting services (including non-investment related matters). The firm offers comprehensive advisory services such as financial planning, investment advice, risk management, tax planning, cash flow management, insurance evaluation, estate and generational planning and life planning. The firm has also employed an outside party that specializes in goal setting, life planning and personal coaching services. In some cases, we offer concierge type services such as checkbook balancing and general cash management support to those who request it based on their overall state of health. Prior to engaging the firm to provide financial planning and/or consulting services, the client will generally be required to enter into a *Financial Planning Agreement* with Firm setting forth the terms and conditions of the engagement, describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Firm commencing services. In the event the client terminates Firm’s financial planning and/or consulting services, the balance of firm’s fee, if any, shall be refunded to the client in accordance with the terms of the *Financial Planning Agreement*. In performing its services, firm shall not be required to verify any information received from the client or from the client’s other professionals, and is expressly authorized to rely thereon. If requested by the client, firm may recommend the services of other professionals for implementation purposes. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from the firm. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify the firm if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising firm’s previous recommendations and/or services.

In the event the client desires, the client, upon completion of the initial financial planning services, can subsequently engage the Firm to provide both ongoing comprehensive financial planning and investment management on a *fee-only* basis. For ongoing comprehensive financial planning, we will conduct meetings typically on a quarterly basis, but tailor the frequency to the needs of the client. Each meeting will have a focused area to review. For example, in the first quarter, we may review goals and cash flow/budgets, the second quarter may consist of risk management, insurance and estate planning, the third quarter may consist of investments and long range planning and the fourth quarter might focus on taxes and investments. There are some clients that require monthly meetings as a result of their holdings and special needs whereas others may only require one meeting per year. Investment management consists of monitoring accounts and making adjustments in client’s holdings based on various factors. These include, but are not limited to, client risk profile and liquidity needs, market valuations, fundamental and technical factors, geopolitical trends, monetary and fiscal policies of the U.S. government and other government bodies, research provided by outside parties and other indicators that may be relevant for future asset valuations and trends.

In the event the client determines to engage the Firm on a *fee-only* basis, Firm shall charge an annual *fixed fee* for financial planning and investment management services, which *fixed fee* shall be determined by Firm annually (and paid by client in equal quarterly installments, in arrears) based upon each client’s current total

liquid assets (i.e., all cash and securities owned by client, including retirement plans, regardless of whether the assets are designated for Firm's investment management services).

The scope of the ongoing financial planning and/or related consultation services to be rendered by the Firm under each level is intended to generally be limited to reviewing/evaluating/revising Firm's previous recommendations and/or services relative to a change in the client's financial situation and/or investment objectives. In the unlikely event that a client requires extraordinary financial planning and/or consultation services, and/or the client adds unanticipated investment assets to be managed by Firm, the Firm may increase the annual fixed fee during the remainder of the year, the dollar amount of which increase shall be mutually agreed upon by the Firm and the client, and shall be set forth in a separate written addendum to the investment advisory agreement between the Firm and the client. Firm's fixed fee is subject to review and change on an annual basis. However, no increase in the annual fixed fee shall be effective without prior written notification to the client. Firm, in its sole discretion, may charge a lesser management fee based upon certain criteria (i.e. pre-existing financial planning client, anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, etc.).

Firm primarily allocates investment management assets of its client accounts among various individual debt and equity securities and mutual fund classes, on a discretionary basis, in accordance with the investment objectives of the client. Prior to rendering investment management services, the Firm ascertains, in conjunction with the client, the client's financial situation and investment objective(s). As a result thereof, the Firm prepares for client approval an initial investment policy and implementation schedule.

Firm's clients are advised to promptly notify the firm if there are ever any changes in their financial situation or investment objectives

Prior to engaging Firm to provide investment management services (on either an annual *fixed fee* basis, or otherwise), the client will be required to enter into a formal investment advisory agreement with Firm setting forth the terms and conditions under which Firm shall manage the client's assets, and a separate agreement with *T.D. Ameritrade* and/or *Vanguard* and/or *Jefferson* or other designated broker-dealer/custodian of the client's assets, setting forth the services to be provided and the corresponding applicable fees and/or charges.

A copy of Form ADV, Part 2A and Part 2B will be provided to each client prior to or contemporaneously with the execution of the financial planning or investment advisory agreement. Any client who has not received a copy of this firm's ADV, Part 2A and Part 2B at least forty eight (48) hours prior to executing the financial planning or investment advisory agreement shall have five (5) business days subsequent to executing the agreement to terminate firm's services without penalty. In addition, each year, we will (i) deliver, within 120 days of the end of our fiscal year, to each client a free updated brochure that either includes a summary of material changes or is accompanied by a summary of material changes, or (ii) deliver to each client a summary of material changes that includes an offer to provide a copy of the updated brochure and information on how a client may obtain the brochure.

Neither the firm nor the client may assign the *Financial Planning Agreement* or *Investment Advisory Agreement* without the prior written consent of the other party. Transactions that do not result in a change of actual control or management of the firm shall not be considered an assignment.

### ***Fees and Compensation***

Form ADV Part 2A, Item 5

Firm's current annual fixed fee level schedule is outlined below. These fees are fixed for levels I and II and are negotiable for level III and are for advisory clients. Advisory clients are those that retain the firm to serve them

in an ongoing advisory capacity beyond conducting an initial plan

<u>Level</u>	<u>Total Liquid Assets</u>	<u>Annual Fixed Fee</u>
Level I	\$0 - \$750,000	\$5,625
Level II	\$750,001 - \$1,000,000	\$6,800
Level III	Over \$1 Million	Negotiable

Both firm's investment advisory agreement and the separate agreement with *T.D. Ameritrade* and/or *Vanguard* (or other designated broker-dealer/custodian) may authorize the custodian of the client's account to debit the account for the amount of the firm's investment management fee and to directly remit that management fee to the firm in accordance with SEC procedures. In most cases, fees are directly debited on a quarterly basis from a client account which has a portion allocated to money market funds held at TD Ameritrade or other custodian and billed in arrears. In a limited number of client accounts primarily of smaller scale, billing is sent directly to the client. Client is expected to send a check in accordance to the fee directly to the firm. However the firm has been slowly transitioning those accounts to be deducted from the custodial accounts, but some clients are still preferring to pay directly to the firm and the firm expects a residual amount of clients will exist that may still be billed and sent payments directly to the firm. For initial planning fees, clients pay fees directly to the firm. These initial planning fees are typically \$2,600 for Level I and Level II clients and are negotiable for those clients having in excess of \$1M in total liquid assets.

Firm will charge a fee (fixed fee and/or hourly) for advisory and/or financial planning services. Firm's fees have ranged from \$2600.00 to \$33,000.00 on a fixed fee basis and \$225.00 on an hourly rate basis, depending upon the level and scope of the planning and/or consulting services required.

In addition to the firm's investment management fees, the client will also incur charges imposed directly by the custodian of the client's account, transaction charges imposed by the broker-dealer executing securities transactions for the client's account, and fees and expenses imposed directly by mutual funds held in or for the client's account. For further discussion concerning the firm's brokerage practices, please see Item 12 of this Disclosure Brochure. All fees paid to the firm for its services are separate and distinct from the fees and expenses charged directly by the client's custodian, the broker-dealer, and mutual funds. The fees and expenses imposed by mutual funds are described in each fund's prospectus, and will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. The client should review both the fees charged by the funds and the fees charged by the firm to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

### ***Performance-Based Fees and Side-By-Side Management***

Form ADV Part 2A, Item 6

The firm does not have any information that is disclosable under this Item 6.

### ***Types of Clients***

Form ADV Part 2A, Item 7

The firm provides services to the following categories of clients: individuals, trusts, estates, corporations and other business entities. Prior to opening an account for new clients, the firm requires a signed financial planning agreement after reviewing the Letter of Engagement which outlines the services the firm will provide for the

client as part of the financial planning process. If the client decides to become an advisory client, then the client will need to sign an advisory agreement and a web access agreement if the client desires to have access to his or her account via the client portal on the firm's website. Prior to opening an account and ultimately depositing funds with the custodian, the client must complete and submit the necessary forms and associated paperwork appropriate for the type of account being opened along with a power of attorney certification. There is no minimum account size for the firm however the ideal advisory client should have liquid assets of at least \$500,000. Financial plans may be performed for prospective clients that have liquid assets that are in the range of 0-\$500,000. However, firm reserves the right to decline performing planning work or engaging in a advisory agreement where the compensation does not justify the cost of servicing the client.

### ***Methods of Analysis, Investment Strategies and Risk of Loss***

Form ADV Part 2A, Item 8

Methods of securities analysis that the firm uses in formulating investment advice or managing assets are fundamental analysis, technical analysis, cyclical analysis and charting. In addition, the current or anticipated regulatory as well as third party research analysis are taken into consideration before rendering advice. For example, if laws are being contemplated in Congress or within the SEC that will result in higher fees in an asset class that which may reduce investment return of those securities in that asset class, we may advise our clients to reduce holdings in those affected securities.

The majority of the firm's investment strategies are executed via long term purchases (securities held at least a year). On a limited basis, the firm may employ short term purchases (securities held less than a year). On a very limited basis for some clients during unusual market conditions, the firm may employ trading (securities held less than 30 days) of specific securities where the market is very liquid and where prices have recently been volatile with intent to capitalize on distortions of prices which offer profit opportunity for short durations. Short sales, margin transactions and option writing can be employed but these techniques tend to be limited and infrequent.

With the primary strategy of the firm being long term purchases and the intent to limit volatility in many of the client's investment portfolio in line with their risk profile, some securities are purchased for the client's account with the intent to lock in a return for several years. These long term purchases of securities will entail dividend payouts that are expected to occur over several years if they are held to maturity. The key risk with these types of investments are inflation and rising interest rates which would diminish the real rate of return due to loss of purchase power of the dollar over time. Other long term investments, which the firm defines as alternative investments or partnerships, involve real estate as the underlying asset, oil and gas partnerships, specialty loans such as university or church bonds and other types of assets such as leasing programs. These investments, although typically yielding higher returns than other fixed income instruments, are more difficult to liquidate if the investor desires to sell prior to the targeted holding period which could be ten or more years. A market may not exist that will provide the holder of such securities with an option to sell and cash out the security. In situations where a limited number of buyers do exist, a prospective buyer of such a security may demand a discount to the appraised or estimated net asset value of the investment resulting in loss to the client. Another risk of these types of investments is determining up-to-date valuations. Whereas a mutual fund or stock may have a net asset value or settlement price determined and available every day, some long term investments are difficult to evaluate and therefore pricing of these securities is difficult. Since the firm does not determine pricing of securities, the firm relies on the issuer and/or account custodian to determine the value of those securities. If they are privately held, they may be valued by the issuer based on non-public information or may only be estimated on a very infrequent basis, perhaps only once per year. All investments in securities carry a risk of loss that each client should be prepared to bear.

### ***Disciplinary Information***

Form ADV Part 2A, Item 9

The firm does not have any information that is disclosable under this Item 9.

### ***Other Financial Industry Activities and Affiliations***

Form ADV Part 2A, Item 10

Firm's President is a limited partner in various partnerships that invest in real estate, equipment leasing and oil and gas (the "Partnerships"). In the event that an investment in any Partnership is suitable for a client given that client's investment objectives and financial situation, firm may recommend that the client purchase an interest in such Partnership. The purchase of or provision of any advice relative to, any such Partnership interest by firm is a conflict of interest. Any purchase of a Partnership interest will be strictly on a non-discretionary basis and no client will be under any obligation to purchase any Partnership interest. The firm does not collect any fees in connection with any Partnerships above and beyond the stated and agreed upon advisory fees. The firm President has made personal investments in some of these Partnerships based on a belief that these investments are suitable for his individual portfolio and offer profit opportunity for both the firm President and the suitable client(s). Where the firm President has already invested or intends to invest in a given Partnership, disclosure of this fact will be made prior to or during the time when the recommendation to engage in a transaction in such Partnership interests are made to the client.

### ***Investment Policy***

Form ADV Part 2A, Item 11

The firm has adopted a written Code of Ethics in compliance with SEC Rule 204A-1. The code sets forth standards of conduct and requires compliance with federal securities laws. Our code also addresses personal trading and requires our personnel to report their personal securities holdings and transactions to the Chief Compliance Officer of the firm. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

The firm holds an interest in several partnerships, non-publicly traded Real Estate Investment Trusts (REITs) or other securities. The Firm's President and Chief Compliance Officer holds interests in some of these partnerships. The firm maintains a list of the securities held by its employees. Since the firm often recommends these same securities to clients either through buying or selling these securities in client accounts, there exists a conflict of interest. For publicly traded securities, the firm believes there is sufficient liquidity in these securities so that the firm's purchases or sales will not adversely affect the price of that security recommended to the client. Also, the firm will place aggregated or block trades to enable the firm to purchase or sell securities for multiple clients in one large block trade with the accounts of the firm's principals. Where markets are less liquid, including partnerships and REITs, the firm believes that its interest in these investments will not lead to a significant effect on the liquidity or price of the security and will therefore not lead to any detrimental effects on the client.

The firm may invest in the same securities that are recommended to clients. This can be construed to be a conflict of interest. In order to address this conflict for publicly traded securities, the firm believes there is sufficient liquidity in these securities so that the firm's purchases or sales will not adversely affect the price of that security recommended to the client. In addition, the firm will disclose an interest in these securities and any other partnerships or non-publicly traded trusts prior to making any recommendation to firm's clients.



The firm may recommend securities at or about the same time as making a recommendation to a client or clients to invest in the same securities. This can be construed as a conflict of interest. To address this conflict for publicly traded securities, the firm believes there is either sufficient liquidity in these securities so that the firm's purchases or sales will not adversely affect the price of that security recommended to the client. In addition, the firm will disclose an interest in these securities and any other partnerships or non-publicly traded trusts prior to making any recommendation to firm's clients.

In accordance with Section 204A of the Investment Advisers Act of 1940, the firm also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the firm or any person associated with the firm.

### ***Brokerage Practices***

Form ADV Part 2A, Item 12

The firm participates 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. Neither the firm, nor its Principal, will receive any portion of the commissions and/or transaction fees charged by *T.D. Ameritrade* and/or *Vanguard* and/or *Jefferson*, or other designated broker-dealer custodian, to the client.

Relative to investment research products and/or services which assist the firm in its investment decision-making process for its clients, all of which transactions shall be in compliance with Section 28(e) of the Securities Exchange Act of 1934. The firm receives some benefits from TD Ameritrade through its participation in the TD Ameritrade Institutional program. These benefits are often referred to in the industry as soft dollar benefits. (Please see the disclosure under Item 14 below.) When the firm uses client brokerage commissions to obtain these benefits, it is receiving an added benefit in that it does not need to produce or pay for the benefits that it receives. This leads us to have an incentive to select or recommend a broker-dealer based on our interest in receiving those benefits, rather than on our client's receiving most favorable execution. The firm retains the right to periodically review services (soft dollar benefits) offered by various custodians and to make a determination whether to remain with the current custodian, currently TD Ameritrade, or transfer clients assets to another custodian such as Vanguard or Jefferson.

These soft dollar benefits include discount on research and technology tools such as Morningstar or other third party vendors, access to block trading, discounts on interfacing with software tools such as By-All-Accounts, access to electronic communications networks for client account information and order records, discount or free attendance to national investment conferences sponsored by the broker-dealers, various gift baskets and office items such as coffee cups, picture frames, pens and other office supplies with broker-dealer logo contained on the items, etc.

In addition, the firm may receive succession planning, practice valuation and equity management services from third-party vendors through its participation in the TD Ameritrade Institutional Equity Management Program (the "EMP"). In addition to meeting the minimum eligibility criteria for participation in the EMP, the firm may have been selected to participate in the EMP based on the amount and potential profitability to TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with the firm and there is no employee or agency relationship between TD Ameritrade and the firm. TD Ameritrade has established the EMP as a means of assisting independent unaffiliated advisors to grow and maintain their respective investment advisory business. TD Ameritrade does not supervise the firm and has no responsibility for the firm's management of its client

portfolios or the firm's other advice or services to clients.

The firm's participation in the EMP raises potential conflicts of interest. The firm may have an incentive to encourage their clients to custody their assets at TD Ameritrade. Consequently, in order to participate in the EMP, the firm may have an incentive to recommend to clients that the assets under the firm's management be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. The firm's participation in the EMP does not relieve the firm of the duty to seek best execution of trades for client accounts.

The firm considers a number of qualitative and quantitative factors when selecting a broker-dealer for client transactions. The firm might make a decision to transfer client assets to another custodian based on these factors that benefit the firm. Qualitative factors include responsiveness to issue resolution, competence of support personnel in the judgment of the firm, ease and format of trading platforms, ability to include alternative investments in client statements, ability of the broker-dealer software to interface with other software platforms for portfolio reports, ease of understanding of account statements by clients and firm personnel, reporting tools and other broker-dealer provided software, responsiveness to special firm needs or requests and adaptability to changing needs of the firm. Quantitative factors include execution price, institutional trading discount compared to retail trading rates, cost for alternative investment inclusion and more difficult to measure costs such as interactivity and interaction with other software applications. As a result of these qualitative and quantitative factors, clients may pay commissions to execute trades that are higher than those charged by other broker-dealers in some circumstances.

Soft dollar benefits that the firm receives may or may not be applicable to all client accounts and are not allocated based on client assets under management or other tangible or intangible factors. Since each client account is unique and has various levels and types of holdings, the extent of soft dollar benefits across all accounts cannot be easily measured to the extent that benefits can be allocated accurately and consistently over time to an individual account for each client of the firm.

The process that is utilized to select a particular custodian/broker-dealer considers the factors mentioned above. Weekly staff meetings and daily operational experiences encountered by the firm's employees as well as the firm owner are used as input into the selection process. Although currently informal, this process takes timely experiences as well as long terms trends in service levels, responsiveness, ease of trading, availability of tools and other benefits into consideration when evaluating or selecting a custodian or broker-dealer. These soft dollar benefits are described in more detail under Item 14.

The firm does not recommend, request or require that a client direct the firm to execute transactions through a specified broker-dealer or custodian. The firm does not permit a client to direct brokerage or any other party that executes transactions.

The firm will place aggregated trades in securities that may affect multiple client accounts. Sometimes referred to as block trades, these trades involve larger size orders that are allocated across client accounts whether buying or selling a given security. These are executed when certain price points are achieved and serve to provide a more efficient means of executing a trade.

### ***Review of Accounts***

Form ADV Part 2A, Item 13

For those clients to whom firm provides investment supervisory services, account reviews are conducted on an

ongoing basis by the firm's Principal, Todd C. Macke, CFP®. All investment supervisory and financial planning clients are encouraged to discuss with firm his/her/their/its investment objectives, needs and goals and to keep the firm informed of any changes regarding same. All clients are encouraged to meet, at least annually, with the firm to comprehensively review financial planning issues, investment objectives and account performance.

In some cases, reviews are conducted monthly and in other cases, quarterly or annually. The firm's Principal, Todd Macke conducts these periodic reviews. In general, clients who have a wide range of investments and who have significant amount of liquidity as described in Item 7, will have a more frequent review of their accounts. Clients who have lower amounts of liquidity, have a high degree of fixed income investments or have limited amounts of varied investments and account volatility and/or low risk investment profile, may only meet with the firm on an semi-annual or annual basis.

The client account reports that are associated with these reviews are produced in written format and are presented in client meetings where investments are part of the review agenda. These reports typically include but are not limited to asset allocation summary with description of assets, current and target values and percentages for each asset type, performance vs. appropriate benchmarks for different time intervals, and portfolio statements that list all asset holdings. In addition, updated financial plans may be required where significant changes are expected or have occurred such as employment income or disability or other budgetary changes.

Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer/custodian for the client accounts.

### ***Client Referrals and Other Compensation***

Form ADV Part 2A, Item 14

The firm participates in TD Ameritrade's Institutional program and the TD Ameritrade Institutional Equity Management Program (the "EMP"). Although the firm may recommend TD Ameritrade to Clients for custody and brokerage services, there is no direct link between firm's participation in these programs and the investment advice it gives to its Clients, but the firm receives economic benefits through its participation in these programs 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 firm 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 firm 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 firm by third party vendors, and succession planning, practice valuation and equity management services from third-party vendors (see Item 12 for further information). TD Ameritrade may also have paid for business consulting and professional services received by firm related persons. Some of the products and services made available by TD Ameritrade through these programs may benefit the firm but may not benefit its Client accounts. These products or services may assist the firm in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help the firm manage and further develop its business enterprise. The benefits received by the firm or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, the firm endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of

economic benefits by the firm or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the firm's choice of TD Ameritrade for custody and brokerage services. Receipt of these benefits, both quantitative and qualitative, are considered when selecting a custodian and broker-dealer. The fees charged by the custodian/broker-dealer are competitive with other custodian/ broker-dealers and must continue to be so as the firm still has a fiduciary responsibility to its clients. The firm reserves the right to change custodians / broker-dealers at any time and will ensure that the fees charged are comparable to other custodians /broker-dealers.

### ***Custody***

Form ADV Part 2A, Item 15

The firm does not hold custody of client funds and therefore does not have any information that is disclosable under this Item 15.

### ***Investment Discretion***

Form ADV Part 2A, Item 16

The firm exercises discretionary authority to manage securities accounts on behalf of the firm's clients. Prior to setting up and transferring funds into a new account, the firm obtains the appropriate power of attorney via written agreement with the client utilizing the appropriate forms. These forms are filed with both the custodian and the firm and are available on request.

Where the firm provides services on a discretionary basis, the firm has the authority to determine, without first obtaining specific client consent, the securities to be bought or sold, the amount of the securities to be bought or sold, the broker or dealer to be used and the commission rates paid by the advisory client.

Based on this discretionary authority, the firm may or may not inform the client of the transaction enacted prior to execution. The firm does not have situations where clients place limits on the firm's discretionary authority.

### ***Voting Client Securities***

Form ADV Part 2A, Item 17

The firm does not have authority to vote client securities. Instead, the firm's clients shall be responsible for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, litigation or other type events pertaining to the assets. The firm and/or the client shall correspondingly instruct each custodian of the assets to forward to the firm copies of all proxies and shareholder communications relating to the assets.

The firm has taken the position to not serve in an advisory role or offer opinions regarding matters related to security issued proxies and the voting matters that such proxies may contain. Instead, we recommend that the client review the material on their own volition and decide whether they want to vote on a given matter.

### ***Financial Information***

Form ADV Part 2A, Item 18

Financial reporting is not required as the firm does not receive fees more than six months in advance.

The firm has discretionary authority over client accounts as described in Item 16. There are currently no financial conditions that would impair the firm's ability to meet contractual commitments to the firm's clients.

***Requirements for State-Registered Advisers***

Form ADV Part 2A, Item 19

Not applicable.

***Additional Information***

None.