

Item 1 – Overview

Atlas Brown, Inc.

333 East Main Street
Suite 400

Louisville, KY 40202
502-271-2900

May 22, 2014

Atlas Brown, Inc.'s Form ADV Part 2 or Brochure, as required by the Investment Advisers Act of 1940, is a very important document between you and Atlas Brown, Inc.

This brochure provides information about the qualifications and business practices of Atlas Brown, Inc. If you have any questions about the contents of this brochure, please contact us at 502-271-2914 or SRobinson@AtlasBrown.com. 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 Atlas Brown, Inc. is available at the SEC's website www.adviserinfo.sec.gov (click on the link, select "investment adviser firm" and type in our firm name). Results will provide you with both Part 1 and Part 2 of our Form ADV.

Atlas Brown, Inc. is a registered investment adviser with the SEC. Our registration as an investment adviser does not imply any level of skill or training. The oral and written communications that we provide to you, including this Brochure, is information that you may use to evaluate us (and other advisers).

Item 2 – Material Changes

1. No material changes have been made since the last update of this Brochure on March 27, 2014.
2. If you would like another copy of this Brochure, please download it from the SEC's Website as indicated above or you may contact our Chief Compliance Officer, M. Scott Robinson at 502-271-2914 or SRobinson@AtlasBrown.com.

Item 3 -Table of Contents

Item 1 – Overview

Item 2 – Material Changes

Item 3 -Table of Contents i

Item 4 – Advisory Business 1

Item 5 – Fees and Compensation 3

Item 6 – Performance-Based Fees and Side-By-Side Management 4

Item 7 – Types of Clients 5

Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss 5

Item 9 – Disciplinary Information 6

Item 10 – Other Financial Industry Activities and Affiliations 6

Item 11 – Code of Ethics 7

Item 12 – Brokerage Practices 7

Item 13 – Review of Accounts 10

Item 14 – Client Referrals and Other Compensation 11

Item 15 – Custody..... 11

Item 16 – Investment Discretion..... 11

Item 17 – Voting *Client* Securities (i.e., Proxy Voting)..... 12

Item 18 – Financial Information..... 13

Item 19 – Requirements for State-Registered Advisers 13

Brochure Supplement(s)

Item 4 – Advisory Business

Atlas Brown, Inc. was formed in December 2004 by a group of Louisville, Kentucky investment professionals and is an investment adviser providing investment management, wealth advisory and Family Office services primarily to individuals, trusts, estates and charitable organizations. Our mission is to provide wealthy families with thoughtful, independent, and comprehensive advice combined with exceptional services delivered through our Family Office platform. Our client relationships are grounded in a complete and thorough understanding of each family's complex needs, desires, and objectives. This focus on all aspects of a family's needs, both financial and otherwise, is what sets us apart from other wealth management firms.

As of December 31, 2013:

| | |
|--|---------------------|
| Discretionary Assets under Management: | \$ 319,154,187 |
| Non-Discretionary Assets under Management: | \$ <u>6,653,361</u> |
| Total: | \$ 325,807,548 |

Investment Management Services:

Atlas Brown's primary investment management services consist of allocating its clients' investment management assets, on a discretionary basis, among individual debt and equity securities, options, mutual funds, exchange traded funds and/or separate or pooled accounts managed by Third-Party Managers (as described below) in accordance with clients' investment objectives. Atlas Brown may also recommend that clients that are "accredited investors" as defined under Rule 501 of the Securities Act of 1933, as amended, invest in private placement securities, which may include debt, equity, and/or pooled investment vehicles when consistent with such client's investment objectives. The majority of Atlas Brown's clients have authorized the firm to determine, without specific consent the broker-dealer to be utilized for client trading activity.

Atlas Brown may also render non-discretionary investment advisory services on a limited basis. Atlas Brown does not place trades in a non-discretionary account without first obtaining and documenting specific client consent to the transaction. There are no exceptions to this policy.

As of December 31, 2013 Fidelity serves as Atlas Brown's primary custodian and US Bank serves as its primary trust custodian. Other custodians are used in limited circumstances at the specific direction of our clients.

Prior to engaging Atlas Brown to provide investment management services new clients are required to enter into a Discretionary Investment Management Agreement or a Non-Discretionary Investment Advisory Agreement with Atlas Brown setting forth the terms and conditions under which the firm shall provide its services to such clients and serving as the documentation of the stated investment objectives and risk tolerance of such clients. Clients are advised to promptly notify Atlas Brown in writing if there are any changes in their financial situation or investment objectives or if they wish to impose any restrictions upon the management services being provided.

Atlas Brown allows clients to place restrictions or prohibitions on the activities and holdings in their portfolios, however, the firm reserves the right to refuse to accept any client account if the restrictions are too restrictive for the account to be managed properly. Additions may be in cash or securities provided that Atlas Brown reserves the right to liquidate any transferred securities, or decline to accept particular securities into a client's account. Atlas Brown may consult with its

clients about the options and ramifications of transferring securities but will not provide any tax advice with respect thereto. Clients should keep in mind at all times that when transferred securities are liquidated, they are typically subject to transaction fees, fees assessed at the mutual fund level if applicable (e.g., contingent deferred sales charges) and/or tax consequences.

Atlas Brown also emphasizes the unrestricted right of the client to direct all transaction to any broker-dealer he or she wishes.

Third-Party Managers:

Based upon the stated investment objectives of the client, Atlas Brown may recommend to certain clients that they authorize the active discretionary management of a portion of their assets by certain investment managers that are independent of, and not affiliated with, Atlas Brown, either directly or through a wrap fee program. Prior to selecting a third-party manager for a client, Atlas Brown shall review information about the third-party manager such as its disclosure statement and/or material supplied by the third-party manager or another independent third party.

Atlas Brown shall continue to render services to the client and, in addition, monitor and review the performance of the third-party manager and the performance of the clients' accounts that are being managed. The terms and conditions under which the client shall engage such third-party managers shall be set forth in separate written agreements between:

- (1) the client and Atlas Brown; and/or
- (2) the client and the third-party manager and/or wrap fee program sponsor.

Factors that Atlas Brown may consider in recommending a particular third-party manager may include the client's stated investment objective and the manager's management style, performance, reputation, financial strength, reporting, pricing, and research. In addition to Atlas Brown's written disclosure statement, clients shall also receive the written disclosure statement of the third-party manager and/or wrap fee program sponsor (if applicable) recommended by Atlas Brown.

Managed Account Resources Program and Multi-Managed Account Programs:

In addition, Atlas Brown has entered into an arrangement with Envestnet Asset Management, Inc. and Fidelity Brokerage Services, LLC/National Financial Services, pursuant to which Envestnet makes available to Atlas Brown and its clients a number of managed account programs as well as portfolio modeling tools and third party investment models. Atlas Brown has the ability to access/select money managers and/or investment portfolios through Envestnet's existing relationships or build separately managed portfolios for its clients using money managers with whom Envestnet does not have existing relationships.

Family Office:

Finally, Atlas Brown may provide certain clients with a broad range of comprehensive advice and services (which may include non-investment related matters) commonly referred to as "Family Office" services. Such services may include, without limitation, one or more of the following: preparing financial plans and/or evaluations based on a client's current and anticipated financial situation, investment objectives and needs; hourly consulting services regarding the need to establish trusts and/or annual gifting programs, and the adequacy and appropriateness of insurance coverages; pre-legal estate planning involving trusts and wills to be drafted by clients' attorneys; retirement and estate planning; personal financial reporting; bill paying; private foundation management; debt negotiation (which involves the irrevocable setting aside of assets for

repayment of debt without the actual corresponding retirement of the debt); cash management; real property and tangible personal property identification, acquisition and management; negotiation of business transactions; and business succession oversight and coordination. Atlas Brown may charge an additional annual fee in the form of a retainer and/or charge on an hourly basis for Family Office services as described in Item 5 below.

Item 5 – Fees and Compensation

Investment Management Services (Discretionary and Non-Discretionary):

With respect to its investment management and advisory services, Atlas Brown charges its clients an annual fee based upon a percentage of the market value of the clients' assets being managed by Atlas Brown. Atlas Brown's typical annual fee is between 0.75% and 1.00% (with breakpoints) depending upon the market value of the assets under management and the type of investment management services to be rendered, as follows:

| PORTFOLIO VALUE | ANNUAL FEE |
|------------------------|-------------------|
| First \$1,000,000 | 2.00% |
| Next \$4,000,000 | 1.00% |
| Next \$5,000,000 | 0.75% |
| Next \$15,000,000 | 0.60% |
| On the balance | 0.50% |

Atlas Brown's annual fee is exclusive of, and in addition to, any separate brokerage commissions, transaction fees, and/or other related costs and expenses which may be incurred by the client. The annual fee is charged quarterly, in advance, based upon the market value of the assets on the last day of the previous quarter. Assets are typically valued by the independent custodian or another independent third party. If values are not available from either of such sources, they are initially valued at cost by Atlas Brown's Valuation Committee. The Valuation Committee will meet no less than quarterly to review all pricing determination and determine if any price adjustment is warranted based on any financing or monetization event. The first quarter's fees shall be based on the month end market value of the assets subsequent to the receipt of the assets and shall be calculated on a pro rata basis (e.g., based on the number of days remaining in such calendar quarter). If additional assets are deposited into an account after the inception of a quarter, the fee payable to Atlas Brown with respect to such assets will be prorated based on the number of days remaining in the quarter.

The custodian for client accounts may directly debit each client's account for the amount of the quarterly fee and forward such amount directly to Atlas Brown, as long as any such custodian sends a statement to the client, at least quarterly, indicating:

- a) all amounts disbursed from the account (including the amount of management fees paid directly to Atlas Brown);
- b) the amount of funds and securities in the account at the end of the period; and
- c) all transactions in the account during that period.

In addition, Atlas Brown may charge a lesser investment management fee in certain circumstances (e.g., discounted fees for employees), and may base any such decisions on the factors that it deems appropriate, including, without limitation, anticipated future earning capacity, anticipated future

additional assets, the dollar amount of assets to be managed, related accounts, account composition, pre-existing client status, and continued account retention.

Third Party Managers:

Atlas Brown shall receive an additional fee based upon a percentage of the market value of the assets being managed by any designated third-party manager. In such circumstances, the fees charged by the third-party manager, together with the fees charged by any applicable wrap fee program sponsor and the corresponding broker-dealer/custodian of the client's assets, are exclusive of, and in addition to, Atlas Brown's fees as described above.

Certain third-party managers and/or wrap fee program sponsors may utilize different billing practices than Atlas Brown. In such instances, Atlas Brown may, in good faith, alter its billing practices to accommodate those of the third-party managers or wrap fee program sponsors.

Family Office:

Atlas Brown may charge an additional annual fee in the form of a retainer and/or charge on an hourly basis for Family Office services, that are separate from (and in addition to) Atlas Brown's investment management fees (as described above), based upon the amount of assets covered by such Family Office services and the types of Family Office services rendered. Fees for Family Office services vary based on the unique needs of each individual family.

Atlas Brown recognizes that the fee arrangements relating to the firm's Family Office services may create an incentive to favor accounts for which an investment management fee and a Family Office fee are taken. In order to address these potential conflicts, Atlas Brown has developed and implemented appropriate policies and procedures (e.g. trade allocation) as well as processes for monitoring such procedures to ensure that all clients are treated fairly and equally.

Any agreement between Atlas Brown and the client will continue in effect until terminated by either party pursuant to the terms of such agreement. Clients who terminate their relationship with Atlas Brown within ten (10) calendar days of signing an agreement for investment management services and/or Family Office services will receive a prompt refund of all monies paid by the client to Atlas Brown. If clients terminate their relationship with Atlas Brown after the initial ten day period, Atlas Brown's annual fee shall be prorated through the date of termination and any remaining balance shall be charged or refunded to the client, as applicable, in a timely manner.

With respect to any significant withdrawals from an account within a calendar quarter, Atlas Brown shall credit its unearned fee towards the next quarter's fee or refund the fee to the client as so instructed by the client. Atlas Brown designs its portfolios as long-term investments and clients should be aware that asset withdrawals may impair the achievement of a client's investment objectives.

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

Atlas Brown does not charge performance based fees.

Item 7 – Types of Clients

Atlas Brown does not require any specific minimum initial investment. Atlas Brown currently provides investment management services to the following types of clients:

- Individuals and their families (including high net worth individuals);
- Pension and Profit Sharing Plans;
- Trusts, Estates or Charitable Organizations; and
- Corporations.

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

Analysis:

The following individuals are members of Atlas Brown's Research Committee: Wayne Hancock CFA, Chief Investment Officer; and Tim Corley, Senior Portfolio Manager. The Research Committee is responsible for maintaining the firm's Approved List of equities, mutual funds, exchange traded funds and other securities. Suitable investments for clients are chosen from this approved list by the individual Portfolio Managers. The Research Committee meets formally on an as needed basis and informally almost every day. The Research Committee uses many different types of research tools including, but not limited to, Zephyr, Baseline, Morningstar, and Bloomberg.

Investment Strategies:

The following individuals are members of Atlas Brown's Investment Committee: Wayne Hancock CFA, Chief Investment Officer; Tim Corley, Senior Portfolio Manager; Brad Glotzbach, Senior Relationship Manager; David Russell, Executive Vice President; Tess Russell, Senior Vice President and Scott Robinson, Chief Compliance Officer. Each Portfolio Manager is responsible for placing trades in client accounts that are suitable based on the investment objectives and risk tolerance as disclosed by the client in their Investment Policy Statement and/or Client Profile Worksheet.

These documents allow Atlas Brown to gather information, formulate appropriate strategies and implement those strategies for each client. These documents are updated by Atlas Brown when and if an employee of Atlas Brown becomes aware of a material change in a client's situation or at least annually. Material changes include, but are not limited to: updates to the client's address and contact information; a change in the client's investable assets due to an inheritance, significant change in salary, a bonus or a change in the client's risk tolerance or investment objectives.

Approved List:

Atlas Brown and its employees may only place trades in clients' accounts to buy securities which are on the Approved List (exempt from this policy are individual fixed income securities, and documented client directed trades). Securities not on the Approved List may be sold as necessary in accordance with a client's Investment Policy Statement and/or as a result of instructions received from the client. The Approved list is reviewed monthly and updated as needed by the Investment Committee. Any updates to the Approved List are made available to all Portfolio Managers at the time of the update.

Risks:

All investments in securities include a risk of loss of your principal (invested amount) and any profits that have not been realized. Stock markets and bond markets fluctuate substantially over time. In addition, as recent global and domestic economic events have indicated, the performance of any investment is not guaranteed. Atlas Brown will manage client assets to the best of the firm's ability; however, Atlas Brown cannot guarantee any level of performance or that clients will not experience a loss of account assets.

Item 9 – Disciplinary Information

Atlas Brown does not have any legal, financial or other “disciplinary” item to report. Atlas Brown is required to disclose any disciplinary event that would be material to clients when opening an account or promptly upon discovery of such an event/item. This statement applies to the firm, and every employee.

Item 10 – Other Financial Industry Activities and Affiliations

David B. Russell, Executive Vice President of Atlas Brown, is a registered representative of Purshe Kaplan Sterling Investments, an SEC and FINRA registered broker-dealer. The brokerage services provided by Mr. Russell and Purshe Kaplan are separate from the investment management and Family Office services provided by Atlas Brown. In his individual capacity as a registered representative, Mr. Russell has brokerage clients who maintain commission based accounts at Purshe Kaplan and for whom he effects securities transactions. Mr. Russell will receive separate and customary compensation for acting as a registered representative and effecting brokerage transactions. The brokerage services, described above, provided by Mr. Russell may be provided to Atlas Brown's clients on a limited basis and are separate from the advisory services provided by Atlas Brown.

Patricia Anderson, Executive Senior Client Associate of Atlas Brown, is a registered representative of Purshe Kaplan Sterling Investments, an SEC and FINRA registered broker-dealer. Ms. Anderson serves as a non-producing registered sales assistant to Mr. Russell in the above activities. She does not receive any separate compensation from Purshe Kaplan Sterling Investments.

Brad Glotzbach is a licensed insurance agent and refers potential clients for life, health, disability and long term care insurance policies to various insurance agencies. The insurance services provided by this individual are separate from the advisory services provided by Atlas Brown; however, Mr. Glotzbach receives separate compensation for acting as an insurance agent and recommending insurance products for clients of Atlas Brown. Mr. Glotzbach generally spends less than 2% of his time on such non-advisory activities. Atlas Brown receives no compensation from his insurance activities.

Item 11 – Code of Ethics

Atlas Brown has adopted a Code of Ethics, as required by the SEC. Maintaining the highest standards of ethical business practices has always been a priority for the firm. Atlas Brown believes that this is a critical component of continuing the firm's long-term success.

As outlined in the Code of Ethics, the interests of client accounts will at all times be placed first and all employee personal securities transactions will be conducted in such a manner as to avoid any actual or potential conflict of interest. Atlas Brown and its employees may purchase securities for their personal accounts that they also recommend to firm clients; however, employees will not take into consideration their own financial situation when providing investment advice to clients.

Atlas Brown recognizes that the firm may have an incentive to favor employees' accounts as well as the personal accounts of the firm's founders and shareholders. (Please refer to Item 4 above for more information about Atlas Brown's Family Office services.) Atlas Brown has developed and implemented appropriate trade allocation/aggregation policies and procedures (as described in Item 8 above) to ensure that all clients are treated fairly and equally. These procedures, in conjunction with the provisions of the Code of Ethics (summarized below) have been created to address and eliminate such conflicts of interest. Atlas Brown may, from time to time, look for an infusion of private capital from founders and/or shareholders. These individuals may be clients of the firm as well as shareholders.

To supervise compliance with its Code of Ethics, Atlas Brown requires that all employees provide copies of their personal securities holdings and transaction reports to the firm's Chief Compliance Officer. In addition, Atlas Brown requires all employees to receive approval from the Chief Compliance Officer for certain types of investments (i.e., IPO's or private placements). Finally, Atlas Brown maintains a list of securities that employees of Atlas Brown are restricted from buying or selling without pre-clearing such trades with the Chief Compliance Officer. Any individual not in observance of the above may be subject to disciplinary action.

Atlas Brown requires all employees to sign an acknowledgement of receipt of the Code of Ethics at the time of hire, as amended and annually thereafter. Clients may request a complete copy of Atlas Brown's Code of Ethics by contacting the Chief Compliance Officer, Scott Robinson, at the address, telephone number and/or email on the cover page.

Item 12 – Brokerage Practices

Atlas Brown's policy is to seek the best price and most favorable execution of client transactions considering all circumstances. Factors which Atlas Brown considers in recommending broker-dealers to clients include their respective financial strength, reputation, execution, pricing, research, and service. The commissions and/or transaction fees charged by a particular broker-dealer may be higher or lower than those charged by other broker-dealers.

A client may pay a commission to a broker-dealer that is higher than another broker-dealer where Atlas Brown determines, in good faith, that the commission is 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 rather whether the transaction represents the best qualitative execution taking into consideration the full range of a broker-dealer's services including, among others, the value of research provided, execution capability, commission rates, and responsiveness. Consistent with the foregoing, while Atlas Brown will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client transactions. Atlas Brown shall periodically and systematically review its policies and procedures regarding recommending broker-dealers to its clients in light of its duty to obtain best execution. The Best Execution/Proxy Voting Committee maintains an approved broker-dealer list which the Committee reviews, updates if necessary, and approves on a quarterly basis.

Fidelity Investments provides quality brokerage and execution services. Fidelity may also furnish other services to Atlas Brown as described below. Clients should be aware that the receipt of economic benefits by Atlas Brown by the below listed brokers in and of itself may create a potential conflict of interest.

Fidelity Investments

Atlas Brown has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides Atlas Brown with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist Atlas Brown in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting. Fidelity also offers other services intended to help Atlas Brown manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom Atlas Brown may contract directly. Atlas Brown is independently operated and owned and is not affiliated with Fidelity. Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

Good-til-Canceled (GTC) orders

Atlas Brown may use good-til-cancelled orders in discretionary accounts on a limited basis; however, the majority of good-til-cancelled orders will be placed in the firm's non-discretionary accounts. A good-til-cancelled order is defined as an order to buy or sell a security that is effective until the Portfolio Manager or the client cancels it, up to a maximum of 60 days.

Trade Allocation and Trade Aggregation (Block Trading):

Due to the nature of the services provided by Atlas Brown, block trading is utilized on a limited basis with trades generally being placed on an individual basis. Atlas Brown will comply with its fiduciary duty to clients regarding trade allocation and aggregation of orders when allocating securities orders involving more than one client in a fair and equitable manner. Atlas Brown may aggregate more than one client's trades in a "block" but it is not obligated to do so. Based on several criteria, such as the number of shares and the number of client accounts being traded, block or aggregate trades for equities are utilized at the discretion of the Portfolio Managers. When placing an aggregated order (i.e., block trade), the Portfolio Manager will designate the total number of shares to be included in the order and the specific number of shares to be allocated to each client's account.

Allocation of trades may not be done in such a way that the firms' own (or affiliated) accounts, certain clients, employees or partners receive more favorable treatment than clients' accounts. If orders are allocated, all client accounts (including employees' and affiliate's accounts managed by Atlas Brown) are treated equally as follows:

1. Each affiliated and nonaffiliated participant in the trade allocation will receive the same execution price.
2. In the case of partial fills, orders of 100 shares or less will be filled completely. The balance of the shares will be allocated on a pro-rata basis, based on percentage weighting of the order. In this situation, preference will be given to accounts of nonaffiliated, non-employee clients.

If Atlas Brown determines, in good faith, that a pro rata allocation is not appropriate under the particular circumstances, the allocation may be made based upon other relevant factors, including, without limitation:

- (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or position or to an account that is disproportionately weighted with respect to security or sectors relative to other portfolios with similar mandates;
- (ii) greater allocations may be made to one account when it has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar 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;
- (iv) with respect to sale allocations, greater allocations may be given to accounts with limited current liquidity;
- (v) in cases when a pro rata allocation would result in a de minimis allocation in one or more accounts, Atlas Brown may exclude the account from the allocation and the shares may be allocated 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.

Directed Brokerage

Client may direct Atlas Brown in writing to use a particular broker-dealer to execute some or all of their brokerage transactions. In that case, the client will negotiate terms and arrangements for the account with that broker-dealer, and Atlas Brown will not seek better execution services or prices

from other broker-dealers or be able to “batch” client transactions for execution through other broker-dealers with orders for other accounts managed by Atlas Brown. 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, Atlas Brown 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.

Trade Errors

In the event of a trade error by Atlas Brown in a client account, the policy of Atlas Brown is that in no instance will a client be penalized by a trade error that results in a loss (unless it is proven that the error is the client’s fault), and in no instance will a client earn a profit resulting from a trade error. Atlas Brown is responsible for reimbursing the client (make whole) for any loss as a result of a trade error and will keep any profits as a result of a trade error. The profit will be transferred to Atlas Brown’s trade error account.

On a quarterly basis, any profits as a result of trade errors will be donated to a charity chosen by Atlas Brown if the trade error balance exceeds \$1,000. If the trade error balance does not exceed \$1,000 during the course of the year, the balance will be donated within four months of Atlas Brown’s fiscal year end. The Best Execution/Proxy Voting Committee meets on a quarterly basis to review and document any trade errors and their resolutions.

Atlas Brown does not engage in Principal Trading, Agency Cross or Internal Cross Transactions.

Item 13 – Review of Accounts

Atlas Brown monitors clients’ portfolios as part of an ongoing process while formal account reviews are conducted on at least an annual basis. Such reviews are conducted by Atlas Brown’s Formal Investment Account Review Committee, which currently consists of the following individuals: Cherri Moore, Manager of Investment Client Service & Operations; and Scott Robinson, Chief Compliance Officer. All clients are encouraged to discuss their needs, goals, and objectives with Atlas Brown and to keep the firm informed in writing of any changes thereto. In addition, Atlas Brown’s Portfolio Managers shall contact the firm’s clients at least annually to review the previous year’s services and/or recommendations and to discuss any changes in a client’s financial situation and/or investment objectives.

Investment Management Services:

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the custodian for their accounts typically on a monthly basis when there is activity in such clients’ accounts but in any event not less than quarterly. In addition, Atlas Brown may provide reports to all investment management clients on an annual basis setting forth such relevant account and/or market-related information. We urge you to compare the account statements received from your custodian and, if applicable, the account statements/appraisals provided by Atlas Brown.

Family Office:

For all Family Office clients, Atlas Brown utilizes an unaffiliated qualified custodian to hold client funds and/or securities. In addition, Atlas Brown will ensure that all Family Office clients are being

provided with statements detailing the funds and/or securities being maintained by a qualified custodian and/or Atlas Brown. We urge you, if applicable, to compare any account statements/appraisals received from Atlas Brown to statements that you receive from any qualified custodian on behalf of any Family Office client.

Item 14 – Client Referrals and Other Compensation

Atlas Brown has solicitor relationships. Atlas Brown at least annually confirms that these solicitors are providing clients with a current copy of Atlas Brown's written disclosure statement along with the required written solicitor disclosure documents. Pursuant to the Solicitors Agreements, Atlas Brown has agreed to pay solicitors a percentage of their Investment Management Fee for any referred client. A description of the exact percentage of fees to be paid to solicitor is provided to each solicited client as part of their Solicitation Disclosure Documents.

All Solicitors Fees are paid by Atlas Brown and not by the client. Atlas Brown has agreed not to charge clients referred through any of these arrangements fees or costs greater than the fees or costs charged to clients with similar portfolios who were not referred by any of these entities or individuals.

Item 15 – Custody

Investment Management Services:

Atlas Brown does not maintain custody of the funds and/or securities for its investment management clients, except to the extent that the firm may direct the custodian to debit fees from client accounts. In addition to the account statements provided to clients by Atlas Brown (provided only at the request of the client), clients will receive account statements directly from their qualified custodian at least quarterly. We urge you, if applicable, to compare the account statements received from your custodian with the account statements/appraisals provided by Atlas Brown.

Family Office:

With regard to the firm's Family Office services, certain officers of Atlas Brown have access to and maintain custody of client funds and/or securities, a portion of which may be managed by Atlas Brown. For all Family Office clients, Atlas Brown utilizes an unaffiliated qualified custodian to hold client funds and/or securities. In addition, Atlas Brown will ensure that all Family Office clients are being provided with statements detailing the funds and/or securities being maintained by a qualified custodian and/or Atlas Brown. We urge you to compare any account statements/appraisals received from Atlas Brown to statements that you receive from any qualified custodian on behalf of any Family Office client.

Item 16 – Investment Discretion

Atlas Brown intends its primary investment management services to consist of allocating its clients' investment assets on a discretionary basis among individual debt and equity securities, options, mutual funds, exchange traded funds, and/or separate or pooled accounts managed by Third Party Managers (as defined in Item 4 above). With regard to the firm's discretionary investment management accounts, Atlas Brown has the authority to determine, without obtaining specific

client consent, the securities to be bought and sold in client accounts and the amount of such securities to be bought and/or sold.

Atlas Brown may also render non-discretionary investment advisory services to clients. Atlas Brown does not place trades in a non-discretionary account without first obtaining and documenting specific client consent to the transaction. There are no exceptions to this policy. Discretionary and Non-Discretionary clients of Atlas Brown have authorized Atlas Brown to determine, without specific consent the broker-dealer to be utilized for client trading activity. Atlas Brown does not determine the amount of brokerage commissions to be charged for transactions in client accounts, however, due to Atlas Brown's relationships with certain broker-dealers (as described in Item 12 above), clients may be entitled to reduced or waived commissions in certain circumstances.

Item 17 – Voting *Client* Securities (i.e. Proxy Voting)

Atlas Brown may vote proxies on behalf of its clients. When Atlas Brown accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its clients. Absent special circumstances, which are more fully described in Atlas Brown's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Atlas Brown's Proxy Voting Policies and Procedures. At any time, clients may contact Atlas Brown's Chief Compliance Officer, Scott Robinson at the address, telephone number and/or email on the cover page to request information about how the firm voted proxies for that client's securities or to obtain a copy of Atlas Browns' Proxy Voting Policies and Procedures.

A brief summary of Atlas Brown's Proxy Voting Policies and Procedures is as follows:

- Atlas Brown has formed a Best Execution and Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of clients, and ensuring that proxies are submitted in a timely manner. The Committee currently consists of the following members: Wayne Hancock CFA, Chief Investment Officer; Tim Corley, Senior Portfolio Manager; Cherri Moore, Manager of Investment Client Service & Operations; and Scott Robinson, Chief Compliance Officer.
- Proxies will generally be voted according to the firm's then current proxy voting guidelines. The proxy voting guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the proxy voting guidelines are to be followed as a general policy, certain issues may be considered on a case-by-case basis based on the relevant facts and circumstances.
- In situations where there may be a potential conflict of interest in the voting of proxies due to business or personal relationships that Atlas Brown maintains with persons having an interest in the outcome of certain votes, the firm will take appropriate steps to ensure that its proxy voting decisions are made in the best interest of its clients and are not the product of such potential conflict.

Item 18 – Financial Information

Atlas Brown does not require prepayment of advisory fees; therefore the firm is not required to provide an audited financial statement.

Item 19 – Requirements for State-Registered Advisers

Not Applicable.