

Fiduciary Management Group, LLC

This brochure provides information about the qualifications and business practices of Fiduciary Management Group, LLC (hereinafter “FMG”).

Additional information about FMG is available on the Internet at www.adviserinfo.sec.gov/IAPD. You can search this site by a unique identifying number, known as a CRD number. The CRD number for FMG is 136612.

ADVISORY SERVICES AND FEES

FAMILY OFFICE SERVICES:

FMG provides multi-client family office services - defined as a group of professionals that perform and coordinate all the necessary steps to ensure the financial well-being of families with exceptional wealth. FMG assists wealthy families deal efficiently with the great complexities and responsibilities of their wealth. FMG's menu of Family Office services are listed below, some of which are optional. Client and FMG will agree on the precise list of services to be included in the Family Office Services agreement.

- Comprehensive financial planning (described in more detail below);
 - Portfolio Management (described in more detail below);
 - Financial Consulting Services (described in more detail below);
 - Asset allocation recommendations;
 - Money Manager Search & Monitoring Services;
 - Recommendations as to specific securities or other investments not being managed by FMG;
- and
- Business Management Services;

In addition to family office services, FMG also offers a combination of the following advisory services:

PORTFOLIO MANAGEMENT

FMG provides continuous advice to a client regarding investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, FMG develops a client's personal investment policy and creates and manages a portfolio based on that policy. FMG will manage advisory accounts on a nondiscretionary basis. Account supervision is guided by the stated objectives of the client.

FMG will create a portfolio consisting of one or all of the following: individual equities, bonds, other investment products, ETF's and no-load and load-waived mutual funds.

FMG will allocate the client's assets among various investments taking into consideration the overall management style selected by the client. The mutual funds will be selected on the basis of any or all of the following criteria: the fund's performance history; the industry sector in which the fund invests; the track record of the fund's manager; the fund's investment objectives;

the fund's management style and philosophy; and the fund's management fee structure. Portfolio weighting between funds and market sectors will be determined by each client's individual needs and circumstances. Clients will have the opportunity to place reasonable restrictions on the types of investments which will be made on the client's behalf. Clients will retain individual ownership of all securities.

In addition to its own Portfolio Management Services, FMG may also allocate a portion of a portfolio to investment service programs in which client accounts are managed by independent third party investment advisers. These programs provide additional investment opportunities among mutual funds, variable annuities, stocks, bonds, and additional securities.

Based on a client's individual circumstances and needs, FMG will allocate a portion of the portfolio to an appropriate investment program to the client. Factors considered in making this recommendation include account size, risk tolerance, the opinion of each client and the investment philosophy of the third party independent adviser. FMG will assist the client in reviewing the client's income and expenditures, investment objectives, risk tolerance, liquidity requirements, investment restrictions and other relevant factors.

FMG will monitor the performance of the selected asset manager(s). If FMG determines that a particular selected registered investment adviser(s) is not providing sufficient management services to the client, or is not managing the client's portfolio in a manner consistent with the client's Personal Investment Policy Statement, or if FMG believes that a different manager is more suitable for a client's particular needs, then FMG may suggest that the client contract with a different manager. Under this scenario, FMG will assist the client in selecting a new asset manager, and then monitor that manager's performance. However, any move to a new manager is solely at the discretion of the client. FMG will ensure that the aggregate fee charged by both FMG and the selected registered investment adviser(s) will never exceed 3.00% of the client's assets under management.

FINANCIAL PLANNING

FMG also provides advice in the form of a Financial Plan. Clients purchasing this service will receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- **PERSONAL:** Family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** Income tax and spending analysis and planning for current and future years. FMG will illustrate the impact of various investments on a client's current income tax and future tax liability.
- **DEATH & DISABILITY:** Cash needs at death, income needs of surviving dependents, estate planning and disability income analysis.

- **RETIREMENT:** Analysis of current strategies and investment plans to help the client achieve his or her retirement goals.
- **INVESTMENTS:** Analysis of investment alternatives and their effect on a client's portfolio.

FMG gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the client, and a written report is prepared. Implementation of financial plan recommendations is entirely at the client's discretion.

Financial Planning recommendations are not limited to any specific product or service offered by a broker dealer or insurance company.

CONSULTING SERVICES

Clients can also receive investment advice on a more limited basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. FMG also provides specific consultation and administrative services regarding investment and financial concerns of the client.

Additionally, FMG provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.

FAMILY OFFICE SERVICES / PORTFOLIO MANAGEMENT

Fees are negotiable and are based on the requirements of the client and the complexity of services provided. Fees are typically charged based on a percentage of assets under management ranging from 0.50% to 2.50%. FMG may also charge a fee based on a percentage of an advisory client's earned income per year. Where fees are based on a percentage of assets under management, fees may be charged quarterly in advance.

Fees may also be charged as a flat fee based on anticipated services and are billed in arrears and after performance of the services have been rendered. Billings for services based on a flat fee are negotiated and agreed upon between FMG and the client. Fixed fees are based on the complexity of services provided.

FINANCIAL PLANNING / CONSULTING

Financial planning and consulting fees will be charged in one of two ways:

1. As a fixed fee, typically, \$500 depending on the nature and complexity of each client's circumstances. 50% of this fee may be due upon signing the financial planning/consulting agreement, with the balance due upon presentation of the financial plan or consulting work to the client.
2. On an hourly basis, ranging from \$200 - \$300 per hour, depending on the nature and complexity of each client's circumstances, as well as the individual conducting the work. If appropriate, an estimate for total hours may be determined at the start of the advisory relationship. 50% of the estimated fee may be due upon signing the advisory agreement, with the balance (based on actual hours) due upon presentation of the plan to the client.

GENERAL INFORMATION ON FEES AND SERVICES

Negotiability of Fees: In certain circumstances, FMG fees may be negotiable.

Fee Calculation: The fee charged is calculated as described above and is not charged on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of an advisory client (Section 205(a)(1) of the Investment Advisers Act of 1940, as amended).

Termination of Advisory Relationship: A client agreement may be cancelled at any time, by either party, for any reason, upon receipt of 5 days written notice. Upon termination of any client relationship, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable.

Mutual Fund & ETF Fees and Expenses: All fees paid to FMG for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or ETF's to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund or ETF directly, without the services of FMG. In that case, the client would not receive the services provided by FMG which are designed, among other things, to assist the client in determining which mutual fund or funds or ETF's are most appropriate to each client's financial condition and objectives.

Third Party Money Manager Fees: All fees paid to FMG for investment advisory services are separate and distinct from the fees and expenses charged by independent investment managers and custodians.

Proxy Policy Disclosure: As a matter of policy and practice, FMG does not have any authority for the voting of any advisory client proxies for portfolio securities. The responsibility for receiving and voting client proxies is either retained by the client or the responsibility of the independent managers. In the event any client may request assistance about the proxy voting

process, FMG may provide information to assist the client but the client, or independent manager, maintains the responsibility for receiving and voting any client proxies.

EDUCATION AND BUSINESS STANDARDS

Advisory persons associated with FMG must possess, minimally, a college degree and/or appropriate business experience and all required licenses.

EDUCATION AND BUSINESS BACKGROUND

IVAN THORNTON

BORN: 08/08/1961

Education:

M.B.A., Management, Stern School of Business at New York University, 1997; B.B.A., Finance, Howard University, 1983.

Employment History:

Managing Member, Fiduciary Management Group, LLC, 09/05 to present;
Vice President, Credit Suisse, Inc., 06/96 to 08/05.

OTHER BUSINESS ACTIVITIES

In addition to investment advisory services, FMG may provide the following services to clients:

- Record keeping and reporting;
- Business planning
- Entrepreneur planning;
- Budget planning;
- Financial education for family members;
- Family decision-making processes;
- Identifying and evaluating real estate opportunities;
- Philanthropic goals (private and public foundations);
- Estate planning;
- Insurance planning;
- Multigenerational wealth planning; and
- Bill payment.

Certain employees of FMG may spend as much as 25% of their time on these other services.

FMG may recommend The Law Office of Thomasina Thornton to advisory clients in need of legal services. Legal services provided by the Law Office of Thomasina Thornton are separate and distinct from the advisory services of FMG, and are provided for separate and typical compensation. There are no referral fee arrangements between The Law Office of Thomasina Thornton and FMG for these recommendations. No FMG client is obligated to use The Law

Office of Thomasina Thornton for any legal services as not law firm client is obligated to use FMG for any advisory services.

Thomasina Thornton may spend as much as 50% of her time on these other activities.

FMG may refer Harvest Capital clients in need of insurance related products and services. Insurance products and services provided by Harvest Capital are separate and distinct from advisory services of FMG. No FMG client is obligated to use Harvest Capital for its insurance products and services. FMG may receive compensation for certain products purchased from Harvest Capital via a licensed insurance agent.

PARTICIPATION OR INTERESTS IN CLIENT TRANSACTIONS

FMG has adopted a Code of Ethics expressing the firm's commitment to ethical conduct. FMG's Code of Ethics establishes high standards of ethical conduct expected of advisory personnel and compliance with federal and state securities laws.

FMG's Code of Ethics stresses that no person employed by FMG shall prefer his/her own interests to those of advisory clients and prohibits the use of material non-public information. To supervise compliance with its Code of Ethics, FMG requires that anyone associated with the firm's advisory practice with access to advisory recommendations provide initial and annual securities holdings reports and quarterly transaction reports of all reportable transactions to the firm's Chief Compliance Officer. FMG's Code of Ethics also provides for sanctions when appropriate. Clients may obtain a copy of the firm's Code of Ethics upon request by contacting FMG.

REVIEWS AND REPORTS OF ACCOUNTS

FAMILY OFFICE SERVICES/PORTFOLIO MANAGEMENT SERVICES:

REVIEWS: While the underlying securities within Family Office and Portfolio Management Services accounts are continuously monitored, these accounts are reviewed at least monthly by FMG. Accounts are reviewed in the context of each client's stated investment objectives and guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, market activity, political or economic environment.

REPORTS: Clients receive monthly statements and confirmations of transactions from Pershing Portfolio Management Services.

FINANCIAL PLANNING:

REVIEWS: These client accounts will be reviewed as contracted for at the inception of the advisory relationship.

REPORTS: Financial Planning clients will receive a completed financial plan. Additional reports will not typically be provided unless otherwise contracted for at the inception of the advisory relationship.

CONSULTING SERVICES:

REVIEWS: These client accounts will be reviewed as contracted for at the inception of the advisory relationship.

REPORTS: These client accounts will receive reports as contracted for at the inception of the advisory relationship.

BROKERAGE RECOMMENDATIONS

As FMG does not have the discretionary authority to determine the broker dealer to be used or the commission rates to be paid, clients must direct FMG as to the broker dealer to be used. In directing the use of a particular broker or dealer, it should be understood that FMG will not have authority to negotiate commissions among various brokers or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

Fiduciary Management Group participates in the Pershing Advisor Solutions Program for Registered Investment Advisors and Family Offices ('PAS') program, sponsored by Pershing, LLC, NASD member broker dealer. Clients in need of brokerage and custodial services will have Pershing recommended to them. As part of the PAS program, FMG receives benefits that it would not receive if it did not offer investment advice (See the disclosure under Item 13.A. of this Schedule F narrative).

ADDITIONAL COMPENSATION

FMG participates in the Pershing PAS program. While there is no direct linkage between the investment advice given by FMG and participation in the PAS program, economic benefits are received which would not be received if PAS did not give investment advice to clients. These benefits include: receipt of duplicate client confirmations and bundled duplicate statements; access to a trading desk serving PAS program participants exclusively; access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; ability to have investment advisory fees deducted directly from client account; access to an electronic communication network for client order entry and account information; access to proprietary and third-party research; receipt of compliance publications; and access to mutual funds which generally require significantly higher minimum initial investments or are generally available only to institutional investors. Additional benefits received through participation in the PAS program may depend upon the amount of transactions directed to, or amount of assets custodian by, Pershing, LLC.