

## **Firm Brochure Part 2 of Form ADV**

(Item 1)

### **Auour Advisory**

162 Main Street Suite 2 Wenham, MA 01984

978-338-4830

[www.auour.com](http://www.auour.com)

10/27/2014

*This brochure provides information about the qualifications and business practices of Auour Advisory. If you have any questions about the contents of this brochure, please contact the Compliance Department at 978-338-4830. 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 the Adviser is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)

**Auour Advisory is applying for registration as an Investment Advisor with the SEC. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.**

**Additional information about Auour Advisory is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **ITEM: 2 MATERIAL CHANGES**

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### **ANNUAL UPDATE**

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The Material Changes section of this brochure will be updated annually when material changes occur since the previous release of the Firm Brochure.

### **MATERIAL CHANGES SINCE THE LAST UPDATE**

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This represents the initial registration filing.

### **FULL BROCHURE AVAILABLE**

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Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (978) 338-4830 or request by sending an email to [info@auour.com](mailto:info@auour.com).

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## ITEM 4: ADVISORY BUSINESS

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Auour Advisory (“Auour” or “Adviser”) is applying as a newly formed SEC registered advisor that is required to have \$100 million assets under management within 120 days of registration. Being registered does not mean Auour is endorsed by any regulatory authority or imply any level of skill or training. The Adviser is headquartered in Wenham, MA. Auour’s services involve portfolio management and investment advisory services.

### ASSETS UNDER MANAGEMENT

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Total assets under management (“AUM”) as of the date of this filing:

Non-Discretionary	\$ 5,593,000
Discretionary	\$34,332,000
Total	\$39,925,000

### PRINCIPAL OWNERS

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Auour Advisory, founded in 2013 as a Massachusetts limited liability company is owned by its founding principals, Joseph Hosler, Robert Kuftinec, and Kenneth Doerr through direct ownership. Mr. Hosler and Mr. Kuftinec each own 40% of the firm. Mr. Doerr owns 20%.

### FIRM DESCRIPTION

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Auour Advisory uses proprietary asset allocation investment processes and models to help guide investment decisions in an attempt to manage portfolio risk to best protect and grow clients’ future purchasing power. Client assets are generally invested using a passive exchange traded fund (“ETF”) strategy but may also hold stocks, bonds, mutual funds, and other types of securities.

The firm’s investment strategies are offered as described below.

### TYPES OF SERVICES

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#### Directly Managed Separate Accounts

Auour provides customized investment management services on a discretionary basis to individuals, family offices, family & charitable trusts, and high net worth clients through our investment advisor representatives (“IAR”). After discussions around risk tolerance, investment time horizon, asset allocation and income requirements, among other things, Auour through our IARs will discuss investment options appropriate and suitable to the client based on the client’s investment needs.

Account supervision is guided by the stated objectives of the client (i.e., maximum capital appreciation, growth, etc.), and all managed accounts will be maintained with an independent, qualified custodian. Clients can impose reasonable restrictions on our management of their accounts as long as the investment restrictions fit within our investment strategies. For example, some clients have asked us not to sell certain securities where the client has a particularly low tax basis. Clients who impose investment restrictions should be aware that the performance of their accounts may differ from that of the investment strategies.

Auour accounts are managed on a discretionary or non-discretionary basis as indicated on the Auour Investment Advisory Agreement.

#### Third-Party Solicited Managed Separate Accounts

The Firm also provides discretionary investment advisory services to separate account clients through independent, un-affiliated, third-party solicitors ("Solicitors"), for example, broker-dealers and registered investment advisers. Third-party solicited managed separate account clients select an investment strategy after consultation with their primary advisor.

In opening an account at Auour ("indirectly managed separate account"), clients complete an Auour Investment Advisory Agreement between the Client, the Solicitor and Auour along with an application for the selected Qualified Custodian. The Solicitors collect the necessary information including, but not limited to, investment goals, income requirements, time horizon and risk tolerance. The Solicitor assists the client in setting appropriate investment objectives and goals.

Solicitors must provide a copy of the Auour's Brochure and a separate Solicitor's disclosure statement regarding the relationship between the Solicitor and Auour to the prospective client at the time of the solicitation or referral. The prospective client will be requested to acknowledge this arrangement prior to acceptance of the account for advisory services.

#### ITEM 5: FEES AND COMPENSATION

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Auour receives fees for its advisory services based on assets under management. All advisory fees are subject to negotiation. For directly managed separate accounts, some assets in a managed account may not be included in the calculation of the client's advisory fee if those assets are deemed to be non-discretionary investments. In general, the fee charged by Auour is established in the client's written agreement with Auour. Auour may bill its fees on a monthly or quarterly basis depending on the client's preference. Clients pay fees in arrears as specified in the advisory agreement.

For indirectly managed separate accounts, Auour retains a portion of the advisory fee and pays a portion to the Solicitor. The costs associated with a program may be more than costs associated with a traditional brokerage account arrangement where the client pays a commission for each transaction but does not receive ongoing investment advice. In general, the client is paying for ongoing investment advice and portfolio management from the Solicitor and Auour. The Solicitor recommending an Auour investment strategy to the client receives a portion of the Account Fee as a result of the client's participation in the

program. This compensation may be more or less than what the Solicitor would receive if the client participated in another program. As a result, the Solicitor may have a financial incentive to recommend one program or service over other programs or services.

The Qualified Custodian generally deducts advisory fees from the client account. The Qualified Custodian will send statements directly to the client reflecting the deduction of these fees. Auour does not have the authorization to deduct fees from any client accounts.

In addition to the investment advisory fees and transaction charges, accounts may also incur certain charges imposed by third parties in connection with investments made through the program. These may include, but are not limited to, the following: mutual fund or money market 12b-1 fees, mutual fund, money market or ETF management fees and administrative expenses, mutual fund transaction fees, other transaction charges and service fees, IRA and qualified plan fees, processing and handling fees or other charges on a fully disclosed basis. Further information regarding charges and fees assessed by a mutual fund are available in the appropriate prospectus.

Mutual funds and exchange-traded funds also charge internal management fees, which are disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to Auour's fee. Auour shall not receive any portion of these commissions, fees, and costs. Clients may generally avoid additional fees by purchasing funds directly from a fund family and not receiving investment advice.

A customized program account may cost the client more or less than purchasing program services separately. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include: the type and size of the account, the historical and/or expected size or number of trades for the account, and the number and range of supplementary advisory and client related services provided to the account.

## FEE SCHEDULE

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### **Auour Advisory**

Adviser, for directly managed accounts, will receive a fee (the "Fee") for investment supervision and management of the Account(s) based on the current market value assets in the Account(s) (including cash and equivalent items) according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
On the first \$1 Million	1.00%
On the next \$4 Million	0.75%
Above \$5 Million	0.50%

Fees will be payable in arrears in quarterly installments with each installment based on the market value of

the Account(s) as of the end of the calendar quarter, or in arrears in monthly installments based on the market value of the Account(s) as of the end of the calendar month. Payment will be due to Adviser within 30 days after receipt of billing by Client. Interest of 1.0% per month will be charged on unpaid invoices after 30 days. All fees are negotiable and agreed upon by the Solicitor or IAR and Client in the Advisory Agreement.

If this Agreement starts at a date other than the beginning of a calendar quarter, the Fee for that partial quarter shall be prorated accordingly. In the event of any termination of this Agreement, the Adviser's Fees will be calculated on a pro rata basis through the date of termination.

The Adviser shall compute the market value of assets in the Account(s) in accordance with the Valuation of Securities section of its Policies and Procedures manual.

The Client will be responsible for all other expenses, such as broker commissions, fund loads, fund management fees, and custody fees. Those fees are separate, apart and in addition to the fees to Auour.

## WRITTEN AGREEMENT

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All clients are required to sign an advisory agreement with Auour. The client or Auour may terminate the advisory relationship in accordance with the provisions of those agreements. Additionally, a client may terminate its advisory relationship with Auour without being assessed any penalty within five (5) business days of its signing an advisory agreement. Auour encourages clients to carefully review the terms set forth in the agreement prior to signing the agreement.

## ITEM 6: PERFORMANCE FEES AND SIDE-BY-SIDE MANAGEMENT

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Auour does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

## ITEM 7: TYPES OF CLIENTS

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Auour Advisory primarily provides investment advisory services to individuals, trusts, estates and charitable organizations. Auour does not impose a minimum account size in order for clients to open or maintain an account with us. Third-party solicitors may impose minimums separate and distinct from Auour.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

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Auour's investment strategy combines global strategic asset allocations with disciplined tactical adjustments driven through our proprietary multi-factor model that assess the risk appetite of the global



markets. Auour currently offers investors five globally diversified portfolios constructed using proprietary asset allocation strategies.

Shifts, both strategic and tactical, to the strategies will be based on our quantitative model (“Auour Regime Model”, or “ARM”) which analyzes macroeconomic factors such as geographically-based return diffusions, style-based return diffusions, credit market conditions, pricing momentum, market valuations, and market volatility. We will also consider political events and country specific dynamics in our investment decision making process.

Auour believes in and employs several investment biases to portfolio construction. These include:

- (a) passive management generally outperforms active management
- (b) investment returns are primarily driven by asset allocation versus stock selection,
- (c) avoiding major market corrections drives superior investment returns, and
- (d) asset class returns revert to the mean over time.

These beliefs influence the design of the Auour investment processes.

The Auour Investment Committee no less than quarterly monitors the strategic and tactical allocations for each strategy. The monitoring includes reviewing the asset class, sector, and geographical exposures of each strategy while evaluating the liquidity and construction of the underlying securities. We rebalance when market conditions dictate to our asset class exposure while also adjusting this exposure based on our model’s risk regime calculation.

Auour believes that the best investment vehicles to implement our globally diversified asset allocation model are Exchange Traded Funds (“ETFs”). ETFs provide liquidity, transparency, tax efficiency, and diversification in a low cost investment vehicle. The Auour Investment Committee no less than quarterly evaluates each ETF investment based on liquidity, capitalization, transparency, relative cost, investment objective, tax implications, tracking error and premium/discount. The strategy may include the limited use of Exchange Traded Notes (“ETNs”) and other investment vehicles that assist in producing the desired outcome. Our investment process does not anticipate the use of portfolio level margin, leverage, or derivatives but does use 2x “ultra” ETFs within our most aggressive strategy. The strategy does not include direct shorting of securities, but may employ selective use of inverse ETFs.

Auour manages five distinct investment strategies. Each is managed with an objective to reduce risk through diversification and avoidance of material losses in the financial markets.

Auour Advisory’s Global Fixed Income strategy provides exposure to global income and liquid alternative investments. The primary investment objective is current dividend and interest income, although growth of income and capital is considered.

Auour Advisory’s Global High Yield strategy provides exposure to global equities, global income, and liquid alternative investments. The primary investment objective is current dividend and interest income, although growth of income and capital is considered.

Auour Advisory's Global Balanced strategy provides exposure to global equities, global income, and liquid alternative investments. The primary investment objective is a combination of capital growth with current income.

Auour Advisory's Global Equity strategy provides broad exposure to a combination of domestic/international, value/growth, small/large, sectors/country and liquid alternative investments. The primary investment objective is long term capital growth, with current income a secondary consideration.

Auour Advisory's Global Equity Levered strategy provides broad exposure to a combination of domestic/international, value/growth, small/large, sectors/country and liquid alternative investments and "ultra" ETF's to provide leverage to market returns. The primary investment objective is long term capital growth. Current income is not consideration.

Each Auour portfolio typically owns between 5 and 20 separate securities, and no individual security will represent >50% of total portfolio assets except within extreme market conditions.

Investing in Auour portfolios involves risks, including the potential for loss of capital. Auour's investment strategies are focused on investments in exchange traded funds (ETFs) that hold domestic and international equities, fixed income, real estate, commodities, precious metals, currencies, derivatives, cash and other instruments. The returns generated by these ETFs are subject to numerous risks, including economic, social and political uncertainty, market volatility, foreign currency exchange rate volatility, and tracking error versus an underlying index. ETFs that hold fixed income securities are also subject to default risk and interest rate risk. There can be no assurance that the investment objectives of any portfolio managed by Auour will be achieved.

## ITEM 9: DISCIPLINARY DISCLOSURES

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Auour is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Auour or the integrity of Auour's management. Auour has no information applicable to this item.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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Auour and its employees do not have any relationships or arrangements with other financial services companies that pose material conflicts of interest.

## ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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Auour places significant value on ethical conduct for all advisory business. As such, Auour has adopted a Code of Ethics (“Code”) for the purpose of establishing and implementing ethical obligations and to provide rules for review of the personal securities transactions of its supervised persons. Auour owes a duty of loyalty, fairness and good faith towards its clients, and it is obligated to adhere not only to the specific provisions of the Code but to the general principles that guide the Code.

The Code covers a range of topics that may include: general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code, review and enforcement processes, amendments to Form ADV and supervisory procedures. The Code also includes Auour’s policy that prohibits the use of material non-public information. Any principal or associate that does not observe the provisions of the Code may be subject to discipline.

An Adviser, as a fiduciary to its clients, is responsible for providing professional, continuous, and unbiased investment advice. Fiduciaries owe their clients a duty of honesty, good faith, and fair dealing.

In order to ensure that our employees strictly adhere to the highest of conduct and integrity in conducting business on behalf of our clients, we require that each year, every Auour associate must certify that he or she: (1) has read and understands the Code, (2) recognizes that the Code applies to him or her, and (3) has complied with all of the rules and requirements of the Code.

Auour will provide a copy of its Code of Ethics at no charge to any client or prospective client upon request.

## PARTICIPATION OR OTHER INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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On occasion, Auour may employ a security within its strategies in which the firm or an employee of the firm own shares or have some other financial interest. When the security is used, Auour’s procedures require the firm to determine that the investment is suitable to the client’s needs and risk profile. In the event that an employee of the firm wishes to buy or sell for himself/herself a security that has also been recommended to a client, the client’s order(s) are given priority.

No agency cross transactions or principal trades will be affected in an advisory account.

## ITEM 12: BROKERAGE PRACTICES

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Auour will recommend that clients establish brokerage accounts with TD Ameritrade Institutional, a division of TD Ameritrade, Inc. Member FINRA/SIPC/NFA, to maintain custody of clients’ assets and to effect trades for our accounts. However, not all advisers require their clients to direct brokerage and Auour will not require our clients to direct brokerage. Auour is independently owned and operated and not

affiliated with TD Ameritrade. TD Ameritrade provides us with access to their institutional trading and custody services, which are typically not available to TD Ameritrade retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$20 million of the advisor's clients' assets are maintained in accounts at TD Ameritrade, and are not otherwise contingent upon Auour committing to TD Ameritrade any specific amount of business (assets in custody or trading). TD Ameritrade's services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For our client accounts maintained in its custody, TD Ameritrade generally does not charge separately for custody but is compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through TD Ameritrade that settle into TD Ameritrade accounts.

TD Ameritrade also makes available to us other products and services that benefit Auour but may not benefit our clients' accounts. Some of these other products and services assist us with managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from client accounts, and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Auour's accounts, including accounts not maintained at TD Ameritrade. TD Ameritrade also makes available to Auour other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, TD Ameritrade may make available, arrange and/or pay for these types of services rendered to us by independent third parties. TD Ameritrade may discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Auour. While as a fiduciary, Auour endeavors to act in its clients' best interests, our recommendation that clients maintain their assets in accounts at TD Ameritrade may be based in part on the benefit to Auour of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by TD Ameritrade, which may create a potential conflict of interest.

A client may direct us in writing to use a particular broker/dealer to execute all transactions for client's account. When a client selects the broker to be used for his account, the commission rates are decided upon between the client and his broker. In addition, Auour does not have any responsibility for obtaining for the client from any such broker the best prices or particular commission rates, and the client may not obtain rates as low as it might otherwise obtain if Auour had discretion to select broker-dealers other than those chosen by the client. Therefore, directing brokerage to a particular broker/dealer may cost clients more or less money.

Clients that restrict us to using a particular broker/dealer (or direct us to use a particular broker/dealer) for executing their transactions generally will be unable to participate in aggregated orders and will be precluded from receiving the benefits, if any, of an aggregation which other clients may receive.

## SOFT DOLLARS OR ECONOMIC BENEFITS

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Auour does not receive soft dollars or economic benefits from broker-dealers. However, Auour may receive services from broker-dealers that enhance its ability to service its clients. For instance, recommended broker-dealers may provide Auour with automated or electronic access to client account information, duplicate statements, or consolidated reports.

## BROKERAGE FOR CLIENT REFERRALS

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Auour does not receive client referrals from a broker-dealer or third party when recommending brokers for client accounts.

## TRADE AGGREGATION

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Auour may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account (e.g. for the purposes of reducing brokerage commissions or obtaining a more favorable execution price). Block trading is performed when it is consistent with the duty to seek best execution and is consistent with the terms of Auour's investment advisory agreements. Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day. Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. Auour may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

## ITEM 13: REVIEW OF ACCOUNTS AND REPORTS

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The day-to-day supervision of each account is the responsibility of the Investment Committee. Each account is reviewed at least monthly. At least quarterly, each portfolio is reviewed by the Chief Compliance Officer and the Investment Committee to ensure that the holdings are suitable for the client's objectives.

Clients are furnished a written quarterly analysis of the portfolio including the following for each security: cost basis, market value, annual income, current yield, and asset class. The Investment Committee members meet with clients when and if necessary. Clients also receive account statements directly from their chosen custodian on a monthly basis.

## ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION (SOLICITOR ARRANGEMENTS)

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Solicitors, for example, unaffiliated broker/dealers and investment advisers, who are directly responsible for bringing a client to Auour Advisory, may receive compensation from us for client referrals. Such arrangements will comply with the requirements set forth under the Investment Advisers Act of 1940 and/or applicable law, including a written agreement between the Firm and the solicitor. Solicitors must provide a copy of the Auour's Brochure and a separate Solicitor's disclosure statement regarding the relationship between the Solicitor and Auour to the prospective client at the time of the solicitation or referral. The prospective client will be requested to acknowledge this arrangement prior to acceptance of the account for advisory services.

A conflict of interest may exist due to the nature of the arrangements whereby a third-party solicitor is incentivized by a referral fee. Referral fees paid to a third-party solicitor are contingent upon a client engaging Auour Advisory to provide investment management services.

## ITEM 15 CUSTODY

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All clients' assets are held in custody by qualified custodians (all of which unaffiliated broker/dealers). Auour can access clients' assets solely through its ability to debit advisory fees. For this purpose, Auour maintains the following safeguards:

- The client has provided written authorization to deduct advisory fees directly from the client's account, and
- Each time a fee is directly deducted from the client's account, Auour will:
  - send the qualified custodian an invoice of the amount of the fee to be deducted from the client's account,
  - send the client an invoice itemizing the fee on a quarterly basis. The invoice includes fee rate, the amount of assets under management the fee is based on, and the time period covered by the fee.
- Account custodians send statements directly to the account owners on a monthly basis. Clients should carefully review these statements, and should compare these statements to any account information provided by Auour.

## ITEM 16 INVESTMENT DISCRETION

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Auour has investment discretion over all clients' accounts, including the discretion to determine the securities and amount of securities to be bought and sold for a client's account. Clients grant us trading discretion through the execution of a limited power of attorney included in Auour's advisory contract and custodian account opening documentation.

Clients can place reasonable restrictions on Auour's investment discretion as long as the restrictions fit within our investment strategies. For example, some clients have asked us not to sell certain securities where the client has a particularly low tax basis.

## ITEM 17 VOTING CLIENT SECURITIES

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Auour's policy on proxy voting with respect to client accounts is to vote proxies consistent with its fiduciary duty to clients. Auour shall be responsible for voting proxies on behalf of client accounts however certain clients may retain full proxy voting authority. Proxy voting authority is assigned in the Custodian's account opening application. In cases where Auour retains full responsibility over the proxy voting activities of an account, Auour shall vote client proxies in a way that it believes will cause securities to increase the most or decline the least in value in order to maximize shareholder value. Consideration will be given to both the short- and long-term implications of the proposal to be voted on when considering the optimal vote. Conflicts of interest will be identified and addressed in such a manner as to benefit the majority of clients and shareholders.

Notwithstanding Auour's discretionary authority to make investment decisions on behalf of its clients, Auour will not exercise proxy voting authority over certain of its clients' accounts. Clients shall in no way be precluded from contacting Auour for advice or information about a particular proxy vote.

Both the Auour Proxy Voting Policy and a record of all the proxy votes cast on behalf of our clients are available to our clients upon request.

## ITEM 18 FINANCIALS INFORMATION

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The firm's principals are not aware of any financial condition that would prevent Auour from delivering contractual services to clients.

Auour and its principals have neither claimed protection from creditors nor have they ever filed bankruptcy.

## BUSINESS CONTINUITY PLAN

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The Adviser has a Business Continuity Plan in place that provides detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

## DISASTERS

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The Business Continuity Plan covers natural disasters such as snowstorms, hurricanes, tornados, and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

## ALTERNATE OFFICES

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Alternate offices are identified to support ongoing operations in the event the main office is unavailable. It is our intention to contact all clients within five days of a disaster that dictates moving our office to an alternate location.

## SUMMARY OF BUSINESS CONTINUITY PLAN

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A summary of the business continuity plan is available upon request to the Compliance Department.

## INFORMATION SECURITY PROGRAM

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The Adviser maintains an information security program to reduce the risk that your personal and confidential information may be breached.

## PRIVACY PRACTICES

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### **Privacy Policy**

Below is a summary of the Adviser's Privacy Policy regarding client personal information. A complete version of the Privacy Policy is contained in your client advisory agreement and may be obtained by contacting the Compliance Officer of the Adviser.

The Adviser:

Collects non-public personal information about its clients from the following sources:

- Information received from clients on applications or other forms;
- Information about clients' transactions with the Adviser, its affiliates and others;
- Information received from our correspondent clearing broker with respect to client accounts;
- Information received from service bureaus or other third parties.

The Adviser will not share such information with any affiliated or nonaffiliated third party except:

- When necessary to complete a transaction in a customer account, such as with the clearing firm or account custodians;
- When required to maintain or service a customer account;
- To resolve customer disputes or inquiries;



- With persons acting in a fiduciary or representative capacity on behalf of the customer;
- With rating agencies, persons assessing compliance with industry standards, or to the attorneys, accountants and auditors of the firm;
- In connection with a sale or merger of The Adviser's business;
- To protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
- To comply with federal, state or local laws, rules and other applicable legal requirements;
- In connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
- In any circumstances with the customer's instruction or consent.

Restricts access to confidential client information to individuals who are authorized to have access to confidential client information and need to know that information to provide services to clients.

Maintains physical, electronic and procedural security measures that comply with applicable state and federal regulations to safeguard confidential client information.