
Item 1 – Cover Page



ADV Part 2A Firm Brochure

1/26/2015

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This Brochure provides information about the qualifications and business practices of MCF Advisors, LLC ("MCF" or "Firm"). If you have any questions about the contents of this Brochure, please contact us at 859-392-8600 and/or tgavin@mcfadvisors.com. Currently, our Brochure may be requested free of charge by contacting Timothy Gavin at 859-392-8600 or tgavin@mcfadvisors.com. Our Brochure is also available on our web site www.mcfadvisors.com, free of charge.

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 MCF is also available on the SEC's website at: www.adviserinfo.sec.gov. The CRD number for MCF is 130372.

References herein to MCF as a "registered investment adviser" or any reference to being "registered" does not imply a certain level of skill or training.

Item 2 – Material Changes

There have been no material changes to our ADV since our last Other-Than-Annual Amendment filing dated 07/07/2014.

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Item 4 – Advisory Business

About MCF Advisors, LLC

The Firm was founded in 1999 by Robert Sathe as a Registered Investment Advisor. David Harris joined the Firm as partner in 2003. We have office locations in the Greater Cincinnati/Northern Kentucky metropolitan area and Lexington, Kentucky. We serve clients throughout our local footprint, as well as nationwide. Our Firm's mission is to tailor independent, objective financial advice and services to the unique needs of each of our clients. We strive to earn the trust and confidence of our clients by offering leadership and guidance that provides peace of mind in matters of financial management. We offer our services through four separate divisions: Private Client Group, Wealth Builders Group, Retirement Plan Advisory Group, and Institutional Investment Group. MCF is privately owned by its two partners, Robert Sathe and David Harris.

Types of Advisory Activities

Private Client Group ("PCG")

The PCG serves those individual and small business clients who typically have more than \$500,000 of investable assets by offering financial planning, portfolio management for individuals and/or small businesses, selection of other advisors (including private fund managers), and bill-payment services.

Financial planning services – MCF provides financial planning services to clients, which can be offered exclusive of investment management. Clients are not required to implement any recommendations made as a result of our financial planning and/or consulting services. The breadth of our services will vary depending on client circumstances.

Portfolio management for individuals and/or small businesses – MCF provides investment management services to individuals and/or small businesses. We employ a tactical asset allocation approach to investing.

Selection of other advisors (including private fund managers) – On occasion, MCF may select money managers to invest capital in accordance with a client's IPS. Some clients wish to employ other advisors to implement specific investment strategies, which MCF will assist in with implementing. For clients who meet certain asset threshold requirements, we offer access to Separately Managed Accounts and other investment vehicles that have certain eligibility requirements. These eligibility requirements may include minimum investment amounts and/or investor accreditation.

Affiliated Private Funds. MCF is affiliated with MCF Diversified Strategy Fund, LP (the "*affiliated fund*") (the complete description of the terms, conditions, risks and fees [including incentive

compensation] associated with the *affiliated fund* is set forth in the *affiliated fund's* offering documents). MCF, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to the *affiliated fund*. The terms and conditions for participation in the *affiliated fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the fund's offering documents. MCF's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Please Also Note: Valuation. In the event that MCF references private investment funds owned by clients on any supplemental account reports prepared by MCF, the value(s) for all private investment funds owned by the client shall reflect the most recent valuation provided by the fund sponsor. If the fund sponsor does not provide a post-purchase valuation, then the valuation shall reflect the initial purchase price (and/or a value as of a previous date) or the current value(s) (either the initial purchase price and/or the most recent valuation provided by the fund sponsor). If the valuation reflects the initial purchase price (and/or a value as of a previous date), then the current value(s) (to the extent ascertainable) **could be significantly more or less than original purchase price.** The client's advisory fee shall be based upon such reflected fund value(s).

Please Also Note: Conflict Of Interest. Because MCF and/or its affiliates can earn compensation from the *affiliated private fund* that may exceed the fee that MCF would earn under its standard asset based fee schedule referenced in Item 5 below, the recommendation that a client become a *Fund* investor presents a **conflict of interest**. No client is under any obligation to become a Fund investor. **MCF's Chief Compliance Officer, Timothy A. Gavin, remains available to address any questions regarding this conflict of interest.**

Bill-payment – This service is offered to clients who wish to outsource their bill supervision responsibilities to us. We will review all of a client's expenses and facilitate the payment of those financial obligations that a client requests of MCF.

Wealth Builders Group (“WBG”)

The WBG serves individual clients who have up to \$500,000 of investable assets and/or those individuals who require less sophisticated financial planning services.

Financial planning services – MCF provides financial planning services to clients, which can be offered exclusive of investment management. Clients are not required to implement any recommendations made as a result of our financial planning and/or consulting services. The breadth of our services will vary depending on client circumstances.

Portfolio management for individuals and/or small businesses – MCF provides investment management services to individuals and/or small businesses. We employ a tactical asset allocation approach to investing.

Retirement Plan Advisory Group (“RPAG”)

The RPAG provides portfolio management for individuals and/or small businesses, pension consulting, and selection of other advisors (including private fund managers) services.

Portfolio management for individuals and/or small businesses – RPAG offers risk-based managed portfolio strategy services to retirement plan participants. Through a separate and additional advisory agreement, plan participants may engage MCF to provide investment management services to their retirement accounts.

Pension consulting – We work with Plan Sponsors to design and implement the most efficient retirement plan possible while providing clarity to Plan Sponsors on their fiduciary responsibilities, as well as working to increase plan participation and investment performance. This includes the development of an Investment Policy Statement (“IPS”), as well as ongoing monitoring and reporting.

Selection of other advisors (including private fund managers) – MCF may assist Plan Sponsors in the selection of money managers to invest capital in accordance with their plan IPS.

Institutional Investment Group (“IIG”)

The IIG provides portfolio management for businesses or institutional Clients, pension consulting, and selection of other advisors (including private fund managers) services.

Portfolio management for businesses or institutional Clients – We provide professional money management services to pension plans, endowments, corporations, non-profit organizations, and insurance companies.

Pension consulting – We assist institutions in the design and implementation of an IPS, as well as ongoing monitoring and reporting.

Selection of other advisors (including private fund managers) – Select money managers to invest capital in accordance with the IPS. Additionally, we supervise, monitor, and evaluate the selected money managers’ investment performance, risk exposure, asset class purity, peer group rankings, and benchmark deviation.

As described above, we provide portfolio management services that are tailored to the specific needs of each client. The client may, at anytime, impose reasonable restrictions, in writing, on the securities in which they choose to invest.

MCF Advisors, LLC does not sponsor or act as a portfolio manager for a wrap fee program.

As of 12/31/2014, MCF managed the following assets:

Type	Amount (\$)
Discretionary Asset Basis	\$801,664,563
Non-Discretionary Asset Basis	\$56,576,263
Total	\$858,240,826
Other Non-Reportable Assets	Amount (\$)
Consulting Asset Basis	\$300,783,404 (not reported on Form ADV Part 1)

In total, MCF provides management and/or consulting services to \$1,159,024,230 of assets.

Item 5 – Fees and Compensation

MCF receives its compensation through a combination of fixed and asset-based fees, as well as commissions. All fees are subject to negotiation. The specific manner in which fees are charged by MCF is established in a client’s written agreement with MCF. The respective fees for MCF’s services are as follows:

Private Client Group (“PCG”)

Financial planning services – MCF typically will charge an upfront financial planning fee of \$2,500. This fee may be waived for clients who have more than \$500,000 in assets under management or decide to hire MCF by executing an investment advisory agreement for portfolio management services.

Portfolio management for individuals and/or small businesses & selection of other advisors (including private fund managers) – The fee schedule applicable to our PCG is as follows:

Client Asset Under Management (“AUM”)	Annual Fee (%) for all AUM
On the first \$3,000,000	1.00%
On the next \$7,000,000	0.50%
On amounts in excess of \$10,000,000	0.40%

Wealth Builders Group (“WBG”)

Financial planning services – Financial planning services are offered and charged separately from portfolio management services. Fees are dependent on the scope of services, based upon the service level selected. Service levels are offered for \$200 or \$1,250 per engagement. This fee may be waived for clients who have more than \$300,000 in assets under management or decide to hire MCF by executing an investment advisory agreement for portfolio management services.

Portfolio management for individuals and/or small businesses & selection of other advisors (including private fund managers) – The fee schedule applicable to our PCG is as follows:

Client Asset Under Management (“AUM”)	Annual Fee (%) for all AUM
On the first \$3,000,000	1.00%
On the next \$7,000,000	0.50%
On amounts in excess of \$10,000,000	0.40%

Retirement Plan Advisory Group (“RPAG”)

Portfolio management for individuals and/or small businesses – MCF charges an annual rate of 0.50%, billed in quarterly installments for its managed portfolio strategies service.

Pension consulting & selection of other advisors (including private fund managers) – The fee schedule applicable to our RPAG is as follows:

Retirement Plan Assets	Annual Fee (%) for all Plan Assets
\$0 - \$2,000,000	0.50%
\$2,000,001 - \$5,000,000	0.40%
\$5,000,001 - \$10,000,000	0.30%
\$10,000,001 - \$20,000,000	0.25%
\$20,000,001 and over	0.20%

MCF charges a minimum fee of \$7,500 for its RPAG services.

Institutional Investment Group (“IIG”)

Portfolio management for institutions – The fee schedule applicable to our IIG is as follows:

Client Asset Under Management (“AUM”)	Annual Fee (%) for all AUM
On the first \$3,000,000	1.00%
On the next \$7,000,000	0.50%
On amounts in excess of \$10,000,000	0.40%

Clients may elect to be billed directly for fees or to authorize MCF to directly debit fees from client accounts. Management fees shall be prorated for each capital contribution and withdrawal made during the applicable calendar quarter. Accounts initiated during a calendar quarter will be charged a prorated fee.

MCF’s fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. 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 MCF’s fee, and MCF shall not receive any portion of these commissions, fees, and costs.

MCF will generally bill its fees on a quarterly basis in advance. MCF generally does not require a minimum asset level for its services. Upon termination of the applicable Investment Advisory Agreement, MCF will refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

Securities Commission Transactions. In the event that the client desires, the client can engage certain of MCF’s representatives, in their individual capacities as registered representatives of Lion Street Financial, Inc., a FINRA and SIPC member broker-dealer (“LSF”), to implement investment recommendations on a commission basis. In the event the client chooses to purchase investment products through LSF, LSF will charge brokerage commissions to effect securities transactions, a portion of which commissions LSF shall pay to MCF’s representatives, as applicable. The brokerage commissions charged by LSF may be higher or lower than those charged by other broker-dealers. In addition, LSF, as well as MCF’s representatives, relative to commission mutual fund purchases, may also receive additional ongoing 12b-1 trailing commission compensation directly from the mutual fund company during the period that the client maintains the mutual fund investment.

Conflict of Interest. The recommendation that a client purchase a commission product from LSF presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client’s needs. No client is under any obligation to purchase any commission products from LSF.

Please Note: Clients may purchase investment products recommended by MCF through other non-

affiliated broker dealers or agents.

MCF does not receive more than 50% of its revenue from advisory clients as a result of commissions or other compensation for the sale of investment products MCF recommends to its clients.

When MCF's representatives sell an investment product on a commission basis, MCF does not charge an advisory fee in addition to the commissions paid by the client for such product. When providing services on an advisory fee basis, MCF's representatives do not also receive commission compensation for such advisory services (except for any ongoing 12b-1 trailing commission compensation that may be received as previously discussed). However, a client may engage MCF to provide investment management services on an advisory fee basis and separate from such advisory services purchase an investment product from MCF's representatives on a separate commission basis.

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

Only to the extent clients are invested in the affiliated private fund, MCF may enter into an agreement with a sub-advisor who will charge performance-based fees. Clients are advised that performance-based fees involve a sharing of any portfolio gains between the client and the subadviser. Such performance-based fees create an economic incentive for the subadviser to take additional risks in the management of the affiliated private fund.

Item 7 – Types of Clients

MCF provides portfolio management services to individuals, high net worth individuals, trusts, corporate pension and profit-sharing plans, charitable institutions, and foundations.

MCF generally does not require a minimum account size to open a portfolio. We will match a client's needs to the best service offering (PCG, WBG, RPAG, or IIG) and allow the client to choose whether or not to engage MCF.

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

Methods of analysis and investment strategies used in formulating investment advice and/or managing assets. MCF assists each client to identify and tailor their long-term investment objectives to goals that are representative and suitable to their personal situation. We typically execute this by evaluating their current financial condition through the preparation of a financial plan or through an interview process where the client's willingness to take financial risk is assessed. MCF will tailor a diversified investment strategy or asset allocation portfolio design for the client around this assessment. While our portfolio designs are intended to be diversified in order to mitigate investment risks, there is a risk of loss of both income and principal.

Asset allocation does not ensure a profit or guarantee against loss, it is a method to help manage investment risk. Investing in securities involves risk of loss that clients should be prepared to bear.

Material risks involved in MCF's investment strategies/methods of analysis. MCF believes investment success comes from focusing on risk management. Risk management is the process of monitoring certain aspects of the portfolio so that it does not take on more risk than desired. We continually analyze the economic landscape as well as portfolio specific data such as asset class correlations, asset class volatility, beta, downside risk, tracking error, sector exposure, yield, duration, and credit quality. In order to minimize risk in our portfolio designs, MCF feels that asset allocation or the process of diversifying money across different asset classes maximizes return and minimizes risk. In MCF's opinion, no one knows for certain what will be the best and weakest performing asset class in a given year, which is why we have exposure to multiple asset classes in our portfolio designs.

Asset allocation does not ensure a profit or guarantee against loss, it is a method to help manage investment risk. Investing in securities involves risk of loss that clients should be prepared to bear.

Types of investments typically recommended and material risks involved. In implementing our asset allocation process to a client's portfolio, we will invest in mutual funds, exchange traded funds, individual equities, and individual fixed income. MCF also provides advice to clients who qualify on private placements, hedge funds, and other alternative investments. In determining the client's long-term investment objectives, we help clients understand the inherent risks involved in investing in capital markets. As with all investment securities, there is a risk of loss of both income and principal. Clients should not assume that any investment will be profitable or achieve any specific performance level.

Please Note: Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

Asset allocation does not ensure a profit or guarantee against loss, it is a method to help manage investment risk. Investing in securities involves risk of loss that clients should be prepared to bear.

Item 9 – Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of MCF or the integrity of MCF's management. MCF has no information applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

Andrew Sathe and Thomas Hayden are registered representatives of Lion Street Financial ("LSF") as described below.

Neither MCF, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Broker Dealer. As disclosed above, two of MCF's representatives, Andrew Sathe and Thomas Hayden, are Registered Representatives of LSF. Clients can choose to engage those representatives, in their individual capacities, to effect securities brokerage transactions on a commission basis.

Conflict of Interest. The recommendation that a client purchase a commission product from LSF presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from MCF's representatives.

Licensed Insurance Agents. Mark Botto, Teresa Carl, Christopher Cochran, David Harris, Thomas Hayden, Jeffrey Jennings, Andrew Sathe, Matthew Sathe, and Robert Sathe are also licensed insurance agents in their individual capacities, and may recommend the purchase of certain insurance-related products on a commission basis.

Conflict of Interest. The recommendation that a client purchase an insurance commission product from MCF's representatives presents a conflict of interest, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from MCF's representatives. Clients are reminded that they may purchase insurance products recommended by MCF through other, non-affiliated insurance agents.

Affiliated Private Funds. MCF is affiliated with MCF Diversified Strategy Fund, LP (the "*affiliated fund*") (the complete description of the terms, conditions, risks and fees [including incentive compensation] associated with the *affiliated fund* is set forth in the *affiliated fund's* offering documents). MCF, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to the *affiliated fund*. The terms and conditions for participation in the *affiliated fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the fund's offering documents. MCF's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

Please Also Note: Conflict Of Interest. Because MCF and/or its affiliates can earn compensation from the *affiliated private fund* that may exceed the fee that MCF would earn under its standard asset based fee schedule referenced in Item 5 below, the recommendation that a client become a *Fund* investor presents a conflict of interest. No client is under any obligation to become a Fund investor. MCF's Chief Compliance Officer, Timothy A. Gavin, remains available to address any questions regarding this conflict of interest.

MCF may refer clients and other individuals to unaffiliated investment advisory firms. MCF may receive compensation in the form of a referral fee should a referred client or other individual

determine to engage the unaffiliated investment advisory firm to provide investment management services. Any referral fee received by MCF shall be included in the advisory fee charged by the unaffiliated investment advisory firm in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, as amended, and any corresponding state securities laws, rules, regulations, or requirements.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

MCF has adopted a Code of Ethics that will apply to all of the Firm’s supervised persons and sets forth the standard of conduct by which each individual should carry out his/her respective obligations. Specifically, this document presents the Firm’s fundamental standard of conduct and shall address issues pertaining to:

- Privacy of Client Non-Public Personal Information
- Insider Trading;
- Personal Securities Transactions;
- Receipt of Gifts;
- Political Contributions.

All supervised persons at MCF must acknowledge the terms of the Code of Ethics annually, or as amended.

MCF, in appropriate circumstances, consistent with clients’ investment objectives, may recommend to clients, securities in which MCF and/or its owners have a material financial interest in. Specifically, MCF is affiliated with MCF Diversified Strategy Fund, LP (the “*affiliated fund*”)(the complete description of the terms, conditions, risks and fees [including incentive compensation] associated with the *affiliated fund* is set forth in the *affiliated fund’s* offering documents). MCF, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to the *affiliated fund*. The terms and conditions for participation in the *affiliated fund*, including management and incentive fees, conflicts of interest, and risk factors, are set forth in the fund’s offering documents. MCF’s clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

MCF anticipates that, in appropriate circumstances, consistent with clients’ investment objectives, it will cause accounts over which MCF has management authority to effect, and will recommend to portfolio management clients or prospective clients, the purchase or sale of securities in which MCF, its affiliates and/or clients, directly or indirectly, have a position of interest. MCF’s employees and persons associated with MCF are required to follow MCF’s Code of Ethics.

Subject to satisfying this policy and applicable laws, officers, directors and employees of MCF and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for MCF’s clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of MCF will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of

securities have been designated as exempt transactions, based upon a determination that these would materially not interfere with the best interest of MCF's clients. In addition, the Code requires pre-clearance of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is continually monitored under the Code of Ethics, and to reasonably prevent conflicts of interest between MCF and its clients.

MCF's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting its Chief Compliance Officer, Timothy A. Gavin.

Item 12 – Brokerage Practices

A. In the event that the client requests that MCF recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct MCF to use a specific broker-dealer/custodian), MCF generally recommends that investment management accounts be maintained at Charles Schwab & Co., Inc. ("Schwab"). Before engaging MCF to provide portfolio management services, the client will be required to enter into a formal Agreement with MCF setting forth the terms and conditions under which MCF shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that MCF considers in recommending Schwab (or any other broker-dealer/custodian to clients) include historical relationship with MCF, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by MCF's clients shall comply with MCF's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where MCF determines, in good faith, that the commission/transaction fee 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 whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although MCF will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, MCF's portfolio management fee. MCF's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

Research and Additional Benefits: Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, MCF may receive from Schwab (or another broker-dealer/custodian) without cost (and/or at a discount) support services and/or products, certain of which assist MCF to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by MCF may be investment-related research, pricing information and market data, software and

other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by MCF in furtherance of its portfolio management business operations. As indicated above, certain of the support services and/or products that may be received may assist MCF in managing and administering client accounts. Others do not directly provide such assistance, but rather assist MCF to manage and further develop its business enterprise. MCF's clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by MCF to Schwab or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

MCF does not receive referrals from broker-dealers.

MCF does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their account with that broker-dealer, and MCF will not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by MCF. As a result, 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.

Please Note: In the event that the client directs MCF to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through MCF.

B. To the extent that MCF provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless MCF decides to purchase or sell the same securities for several clients at approximately the same time. MCF may (but is not obligated to) combine or "bunch" such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among MCF's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. MCF shall not receive any additional compensation or remuneration as a result of such aggregation.

Item 13 – Review of Accounts

MCF reviews client portfolio accounts on a daily basis through the use of portfolio accounting

software to monitor allocations. MCF provides to clients quarterly account statements via mail or during a quarterly meeting. MCF also provides access to our website where clients can view their portfolio on a daily basis. The website is typically updated on a daily basis the morning following the previous day's close.

Item 14 – Client Referrals and Other Compensation

If a client is introduced to MCF by either an unaffiliated or an affiliated solicitor, MCF may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisers Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from MCF's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to MCF by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of MCF's written disclosure statement disclosing the terms of the solicitation arrangement between MCF and the solicitor, including the compensation to be received by the solicitor from MCF.

Item 15 – Custody

Clients should receive at least quarterly statements from the broker dealer, bank or other qualified custodian that holds and maintains client's investment assets. MCF urges clients to carefully review and compare those statements to any account statements received from MCF. Our statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

MCF engages in other practices and/or services on behalf of its clients that requires disclosure at the Custody section of Form ADV Part 1, which practices and/or services are subject to an annual surprise CPA examination and/or a scheduled annual audit in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940.

Item 16 – Investment Discretion

MCF usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, MCF observes the investment policies, limitations and restrictions of the clients for which it advises. For registered investment companies,

MCF's authority to trade securities may also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Investment guidelines and restrictions must be provided to MCF in writing.

Item 17 – Voting Client Securities

As a matter of firm policy and practice, MCF does not have any authority to and does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. MCF may provide advice to clients regarding the clients' voting of proxies.

Item 18 – Financial Information

MCF does not solicit fees of more than \$1,200 per client, six months or more in advance. MCF is unaware of any financial condition that is reasonably likely to impair its ability to meet contractual commitments relating to its discretionary authority over certain client accounts. MCF has not been the subject of a bankruptcy proceeding.

ANY QUESTIONS: MCF's Chief Compliance Officer, Timothy A. Gavin, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.