

# **PrimeTRUST Advisors LLC**

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## **FORM ADV PART 2A DISCLOSURE BROCHURE**

**February 3, 2015**

This brochure provides information about the qualifications and business practices of PrimeTRUST Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at: (864) 552-4020 or via e-mail at [chunt@primetrustadvisors.com](mailto:chunt@primetrustadvisors.com). 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 PrimeTRUST Advisors, LLC. is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for PrimeTRUST Advisors, LLC. is 141625.

PrimeTRUST Advisors, LLC. is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

## Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since our last annual updating amendment, dated February 7, 2014 one of the managing members of PrimeTRUST Advisors, Archibald Hardy IV, has voluntarily resigned from the firm effective December 17, 2014. Given that Mr. Hardy's primary responsibility for the Company was business development, we do not foresee any causes for service disruption to our clients as a result of his departure from the Company. Other internal staff and resources which are allocated to client service support remain with the Company.

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## Item 4 Advisory Business

### **Description of Services and Fees**

PrimeTRUST Advisors, LLC. is a registered investment adviser based in Greenville, South Carolina. We are organized as a limited liability company under the laws of the State of South Carolina. We have been providing investment advisory services since 2006. Julian Grice (Chip) Hunt, Jr. is our principal owner. Currently, we exclusively offer Pension Consulting Services.

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to our clients' needs. As used in this brochure, the words "we", "our" and "us" refer to PrimeTRUST Advisors, LLC. and the words "you", "your" and "client" refer to you as either a client or prospective client of our firm. Also, you may see the term Associated Person throughout this brochure. As used in this brochure, our Associated Persons are our firm's officers, employees, and all individuals providing investment advice on behalf of our firm.

#### *Pension Consulting Services*

We offer and provide pension consulting and/or investment advisory services (our pension consulting and investment advisory services may be referred to collectively as "pension consulting services") to various types of pension and retirement plans, including, but not limited to, defined benefit plans, cash balance pension plans, profit sharing plans, employee stock ownership plans, 401(k) plans, and 403(b) plans. The clients for these consulting services will be plan sponsors, named fiduciaries, plan trustees and plan investment committees.

We gather and review extensive information on each plan at the commencement of an engagement to determine which of our services can benefit the plan sponsor. We will then recommend one or more specific pension consulting services to the plan sponsor based on our analysis of the plan's needs. These services, some of which are discussed below, may be provided separately or in combination with one another, depending on the needs of the plan sponsor. The specific details of any engagement to provide consulting services are agreed upon in writing prior to commencement and are subject to the terms and conditions of a Client Service Agreement ("CSA").

### **PENSION CONSULTING SERVICES**

#### ***Plan Design Review and Analysis***

We will review your existing plan design structure and assist you in determining whether the existing structure is consistent with the Plan Sponsor's goals for sponsoring a retirement program. To assist the Plan sponsor in making such determinations, we can analyze your existing benefits program, illustrate the specific benefits for your individual plan participants and compare those benefits to available benefit structures under alternative plan design options. Such analysis will include a cost analysis, benefits comparison analysis and appropriate testing requirements which support the design structure.

#### ***Plan Service Provider Evaluation and Plan Fees Review and Analysis***

We can be engaged on a one-time basis to take inventory, evaluate and assign a "value" score for the services of your existing service provider. Then we benchmark the results to current market data specifically obtained and scored to deliver a relevant, customized study. As part of the study, we review and analyze your existing plan fee and expense arrangements ; including trustee/custodial fees, record keeping fees, administration and investment related fees. The center-piece of the study is the cost benefit analysis which enables fiduciaries to better determine the value proposition of their existing services provider(s). Our analysis will be based on information supplied by you, your service provider(s), and third party databases. This provides you with a great resource for negotiating fees and services. This process helps fiduciaries to satisfy one of their primary fiduciary duties -- to assure that plan fees and expenses are fair and reasonable within the context of the services provided.

***Defined Benefit Pension Plan Management***

We provide this process-oriented consulting service for Plan Sponsors who need assistance managing their pension plan throughout the wind-down phase to the plan's eventual termination or restoration to its fully-funded status. This includes determining plan sponsors goals, then designing and implementing a multi-year project management plan incorporating establishing the plan's funding policy, investment policy, benefit design management, supervising asset liability studies, developing liability driven investment strategies, and coordinating the steps for formal plan termination process. We help fiduciaries by coordinating, guiding and monitoring the activities of the plan's actuary, attorney, accountant, corporate finance executive team, investment manager, and the administration and recordkeeping firm. Our proprietary Quarterly Plan Performance Monitoring Reports track the project plan's progress using metrics key to the plan's successful outcome; including reporting on sources of change to the plan's funded status, funding schedules for the plan year and calendar year, summary trust report statement of contributions and distributions, and investment performance reviews to customized relevant pension plan benchmarks. In managing the process we may recommend short-term tactical moves to achieve targeted results in hopes of contributing to the strategy's over-all success.

***Plan Service Provider Search and Recommendation***

We will work with the plan sponsor, named fiduciary or investment committee (hereafter, referred to as the "Responsible Plan Fiduciary") to establish selection criteria for conducting a search of retirement plan service providers based upon the plan's service requirements and benefit resource needs. We will identify and screen potential service providers, benchmarking each according to the agreed upon selection criteria and score them accordingly. We will then make a recommendation to Responsible Plan Fiduciary for their consideration in making a final decision.

***Oversight Management of Plan Administration and Compliance***

This is an on-going service available from us, if specifically appointed to conduct such service. We will assist the Responsible Plan Fiduciary in organizing and managing the duties associated with sponsoring a retirement plan. We will review any such plan reports as agreed to by the Responsible Plan Fiduciary. In this role, we will assist the Responsible Plan Fiduciary while interacting with the Plan's service providers and custodian/trustee by reviewing the periodic reports, fulfilling service inquiries, facilitating problem resolution, plan management and compliance reporting review, monitoring and general plan oversight. When acting in this role, we will act as facilitator and not have discretion or responsibility for the ultimate resolution of any issues.

***Investment Fiduciary Review and Assessment***

We will conduct a comprehensive investment fiduciary review according to the substantiated investment fiduciary practices deemed as prudent procedural practices for ERISA plans as identified by the Center for Fiduciary Studies. This review provides an in-depth assessment of your existing fiduciary practices, including a review of any Investment Policy Statement, plan and/or investment reporting, committee minutes and other such related documentation, currently in place within your organization. An assessment in the form of a written or oral report (as may be agreed) will be provided upon the completion of the fiduciary review.

***Fiduciary Practices Implementation Assistance and Ongoing Consulting***

We will assist you in implementing investment fiduciary practices to fulfill your role as the Plan fiduciary. Periodically, we will compare your practices with the latest industry standards and make appropriate recommendations so that your practices are current.

### ***Investment Policy Statement Preparation***

We may meet with the Responsible Plan Fiduciary (in person or over the telephone) to analyze the Plan's investment needs, goals, and objectives. We will then assist in preparing a written investment policy statement ("IPS") stating those needs and goals and encompassing a policy under which these goals are to be achieved. The IPS will also document the criteria for the selection of investment options/vehicles and the procedures and timing interval for monitoring of investment performance. The decision to accept and implement the IPS remains with the Responsible Plan Fiduciary committee.

### ***Investment Policy Statement Review and Recommendations***

We may as a standalone service, or on an ongoing basis in connection with the preparation of an IPS, review the Plan's IPS periodically to ensure that it continues to provide a suitable range of investment options for the Plan as its needs and objectives may change over time. We will also inform the Responsible Plan Fiduciary of changes in the investment market that may affect the Plan's IPS.

### ***Plan Investment Options -- Search, Evaluation, and Recommendation***

We will review and analyze various investments options, predominantly mutual funds (both index and managed), that meet the criteria of the Plan's IPS. We will then recommend investments options to the Responsible Plan Fiduciary, including the number of investment options/vehicles to be included in the Plan. The final decision on the composition of the Plan's investment options will be made by the appropriate Responsible Plan Fiduciary.

### ***Plan Investment Monitoring and Performance Reports***

Investments will be monitored based on the procedures and timing intervals delineated in the IPS. Although we may not have discretion over the Plan's investments, we will evaluate and monitor the Plan's investments and make recommendations based on the performance of those investments and other market factors in accordance with parameters of the IPS.

### ***Other Investment Advisory and Management Services***

In addition to the non-discretionary investment advisory services discussed above, in certain circumstances we may accept the responsibility to manage plan assets with discretion as a fiduciary. In these cases, the terms and conditions for such an engagement are individually negotiated.

### ***Employee Education***

For pension, profit sharing and 401(k) plan clients designed to allow individual plan participants to exercise control over assets in their own account ("self-directed plans"), we may also provide periodic educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client but will be limited to those activities that are educational in nature and not considered personalized investment advice under appropriate Department of Labor guidelines of ERISA.

### ***Fiduciary Education and Training***

We can provide fiduciary education and training to the fiduciaries of the plan. Such training will include comprehensive discussion and supplementary handout materials pertaining to topical fiduciary issues including: identification of fiduciaries, discussion of fiduciary duties, responsibilities and liabilities under ERISA, presentation of a "blue print" for procedural prudence, fiduciary risk management strategies and approaches to delegating responsibility to a prudent expert.

### ***Advisory Services to Retirement Plans***

As disclosed above, we offer various levels of advisory and consulting services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their management and fiduciary obligations to Participants under the

Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor under ERISA Section 408(b)(2), we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan are described above, and in the service agreement that you have previously signed with our firm. Our compensation for these services is described below, at Item 5, and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

In providing services to the Plan and Participants, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting either as a non-discretionary fiduciary of the Plan as defined in Section 3(21) under ERISA, and/or as a discretionary fiduciary of the plan as defined in Section 3(38) under ERISA.

### **SELECTION OF OTHER ADVISERS**

As part of our investment advisory services, we may recommend that you use the services of a third party investment adviser ("TPA") to manage your entire, or a portion of your, investment portfolio. After gathering information about your financial situation and objectives, we may recommend that you engage a specific TPA or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the TPA's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the TPA(s)' performance to ensure its management and investment style remains aligned with your investment goals and objectives.

### **Types of Investments**

We primarily offer advice on mutual funds.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from recommending particular securities or certain types of securities for investment. You must provide these restrictions to our firm in writing.

### **Assets Under Management**

As of January 1, 2015, we have \$99,377,221 in discretionary assets under management. Additionally, we provide investment advice to defined benefit pension, 401(k) profit sharing and 403(b) plans with respect to assets having an aggregate value of approximately \$486 million.

## **Item 5 Fees and Compensation**

### **PENSION CONSULTING SERVICES**

Fees for our pension consulting services described in this section may involve the following fee type:

- Asset-Based Fees (Percentage of Assets Under Management)
- Flat Fees
- Hourly-Based Fees



The following information shall address the fees that we may charge for the pension consulting services described in the previous sections. Information noted below shall address the general fee ranges, calculation methods, billing frequency, and manner of billing.

### **Asset-Based Fees**

Account(s) Value	Annual Percentage Rate
Less than \$7,500,000	0.50%*
\$7,500,001- \$10,000,000	0.35%
\$10,000,001 - \$15,000,000	0.30%
\$15,000,001 and up	0.25%

**This schedule is used as a guideline only; all fees are subject to negotiation at our sole discretion.**

#### **\*Minimum annual fee amount - \$10,000**

\* Clients with Account values under \$2,000,000 may pay an effective rate in excess of 0.50%.

Asset-based fees are billed monthly in arrears based on the value of the assets on the last day of the prior month. If any advisory relationship begins after the first day of a month or terminates before the last day of a month, fees are prorated accordingly.

### **Recurring Flat Fee**

We may charge an ongoing flat fee (recurring) for our pension consulting services. Our flat fee range is from \$10,000 to \$100,000 on an annual basis, depending upon the level and scope of the services required. Alternatively, we may charge a one-time flat fee (described below) for our pension consulting services.

Recurring Flat Fees are generally billed monthly in arrears. If any relationship begins after the first day of a month or terminates before the last day of a month, fees are prorated accordingly.

In limited, rare circumstances, and as an accommodation to any such client requests, we may charge the Recurring Flat Fee in advance according to mutually agreed upon terms. In the event of termination of the CSA, any such clients will receive a pro rata refund of any pre-paid fees attributable to any period after the date of termination.

### **Non-Recurring Flat Fees**

In certain circumstances, we may charge a non-recurring flat fee for our pension consulting services where the service may involve a specialized function. Such fees are generally set as a pre-determined, one-time flat fee. All such fixed fees are determined on a case by case basis and will vary upon the specific factors associated with the requested service. All flat fees will be specified in the CSA or other such applicable agreement used to define such services.

Upon the determination of a one-time flat fee arrangement, we may request an advance payment of one quarter of the entire flat fee amount prior to performing the agreed upon pension consulting services.

Alternatively, we may not require flat fees to be paid in advance; rather, such fees may be required upon completion of the specified service project. Upon completion of the project, any unpaid portion of the initially agreed upon flat fee will be due within 30 calendar days of the date of the invoice provided to you.



In the event of termination of the CSA, you will receive a pro rata refund of any pre-paid fees attributable to any period after the date of termination.

### **Hourly Fees**

Our hourly fees are negotiable, but generally range from \$150 to \$300 on an hourly basis, depending upon the level and scope of the services required.

Our hourly rate is determined based on anticipated work to be performed. Since we cannot accurately determine the hourly fee amount until learning about the exact scope of the work to be performed, it is our practice to provide an initial, no obligation, no cost meeting in order to become better familiar with your circumstances and potential service needs.

Hourly fees will be billed in arrears, as specific services are performed. Hourly fees will be calculated by multiplying the number of hours of service performed by the designated hourly rate. We bill in increments of fifteen (15) minutes.

In most cases, an invoice will be generated and submitted to you. Invoices will generally be prepared by the fifth business day of the calendar month following the month in which the service was performed that resulted in the fee. The invoice will be due within 30 calendar days of the date of the invoice provided to you.

### **DIRECT BILLING**

Clients shall be billed directly by us for our pension consulting services. The client shall be invoiced by the last business day of the month subsequent to the most recently ended calendar month. Payments shall be due within 30 days of the date that the invoice is generated. Payment of the invoice may be made by the Client or the Plan Trustee with the Client's pre-authorization to approve the payment of such invoices. The Client will be copied on all invoices which may be billed directly to the plan trust.

In our sole discretion, we may charge a lesser fee (or no advisory fee) based upon certain criteria (i.e. anticipated future earnings capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with the client, etc.). No increase in our fees shall be effective without prior written notification to the client.

### **THIRD PARTY FEES**

In addition to our pension consulting services fees, you may be assessed other fees by other parties independent from us. You may also incur, relative to certain investment products (such as mutual funds), charges imposed directly at the investment product level (e.g. advisory fees, administrative fees, and other fund expenses). Brokerage fees/commissions charged to you for securities trade executions may be billed to you by the broker-dealer or custodian of record for your account, not us. Any such fees are exclusive of, and in addition to, our fees. You acknowledge that you will be solely and directly responsible for such fees.

### **SELECTION OF OTHER ADVISERS**

Advisory fees charged by TPAs are separate and apart from our advisory fees. Assets managed by TPAs will be included in calculating our advisory fee, which is based on the fee schedule set forth in the *Portfolio Management Services* section in this brochure. Advisory fees that you pay to the TPA are established and payable in accordance with the brochure provided by each TPA to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPA's brochure and take into consideration the TPA's fees along with our fees to determine the total amount of fees associated with this program.

Our recommendations to use third party investment advisers are included in our portfolio management fee. We do not charge you a separate fee for the selection of other advisers nor will we share in the advisory fee you pay directly to the TPA. Advisory fees that you pay to the TPA are established and payable in accordance with the Form ADV Part 2 or other equivalent disclosure document provided by each TPA to whom you are referred. These fees may or may not be negotiable. You should review the recommended TPA's brochure for information on its fees and services.

You will be required to sign an agreement directly with the recommended TPA(s). You may terminate your advisory relationship with the TPA according to the terms of your agreement with the TPA. You should review each TPA's brochure for specific information on how you may terminate your advisory relationship with the TPA and how you may receive a refund, if applicable. You should contact the TPA directly for questions regarding your advisory agreement with the TPA.

### **Additional Fees and Expenses**

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

## **Item 7 Types of Clients**

We offer investment advisory services to Plan Sponsors of defined benefit pension, 401(k) profit sharing and 403(b) plans.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; however, we have the right to terminate your Account if it falls below a minimum size which, in our sole opinion, is too small to effectively manage.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **Our Methods of Analysis and Investment Strategies**

Investment Research is conducted internally utilizing information obtained from a variety of sources. Our Chief Investment Strategist and designated staff members actively participate in our investment research effort. Increasingly, the Internet and new databases provide a wealth of ideas and information

to enhance our research. The priority is for us to establish a repeatable and consistent process for researching and evaluating investment opportunities for you so as to expect continuity of performance results across the spectrum of our client base.

We intend to exploit the vast wealth of information that is increasingly available to enhance our research efforts. Additionally, industry research is used to supplement our own research efforts. Our Chief Investment Strategist and designated staff members research portfolio managers on a continuous basis. Examples of resources used by our investment analysts include Morningstar, Inc., eVestment Alliance, Sungard Frontier Analytics, and MPI Stylus. Additionally, we use a variety of economic and market reports obtained through various sources.

Generally the following primary performance quantitative criteria are considered when evaluating investment managers for their respective investment styles or categories (additional qualitative considerations may also influence final analysis):

- *Investment strategy:* The investment strategy should be reasonable and consistent with its intended asset class.
- *Performance relative to an index:* The investment manager's performance should be evaluated against an appropriate benchmark index for trailing one-, three-, and five-year time periods and calendar year time periods.
- *Performance relative to a peer group:* The investment manager's performance should be evaluated against the peer group's median manager return, for 1-, 3- and 5- year time periods.
- *Performance relative to assumed risk:* The investment manager's Alpha statistic should be greater than the peer group's median Alpha statistic for a trailing three-year period.
- *Risk:* For actively managed funds, the manager's Beta statistic should not exceed 1.2 for a three-year period. For passively managed funds, the Beta statistic should be between 0.95 and 1.05.
- *Correlation to style or peer group:* For actively managed funds, the R-squared statistic should be at least 70% for a trailing three-year period. For passively managed funds, the R-squared statistic should be at least 95%.
- *Composition:* The investment portfolio should invest in underlying assets consistent with its intended asset class.
- *Assets under management:* The product should have at least \$100 million under management unless extenuating circumstances prevail.
- *Minimum track record:* Any potential investment option inception date should be greater than three years unless extenuating circumstances prevail.
- *Portfolio Management:* The portfolio management team should be in place that is associated with the performance evaluation. In certain cases, a Portfolio Manager's experience at another similarly managed fund may be taken into consideration.
- *Expense ratios/fees:* The product's investment management fees should not exceed 110% of its category average expense ratio for actively managed funds and 50% of its category average expense ratio for passively managed funds.
- *Stability of the organization:* There should be no perceived organizational problems.
- *Regulatory oversight:* Each investment manager should be a regulated bank, an insurance company, a mutual fund organization, or a registered investment adviser.

## **Risk of Loss**

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

## **Recommendation of Particular Types of Securities**

As disclosed under the *Advisory Business* section in this Brochure, we primarily recommend mutual funds, however we may recommend other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end". So-called "open end" mutual funds continue to allow in new investors indefinitely which can dilute other investors' interests.

## **Item 9 Disciplinary Information**

PrimeTRUST Advisors, LLC has been registered and providing investment advisory services since 2006. Neither our firm nor any of our Associated Persons has any reportable disciplinary information.

## **Item 10 Other Financial Industry Activities and Affiliations**

We have not provided information on other financial industry activities and affiliations because we do not have any relationship or arrangement that is material to our advisory business or to our clients with any of the types of entities listed below.

1. broker-dealer, municipal securities dealer, or government securities dealer or broker
2. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
3. other investment adviser or financial planner
4. futures commission merchant, commodity pool operator, or commodity trading advisor
5. banking or thrift institution
6. accountant or accounting firm
7. lawyer or law firm
8. insurance company or agency
9. pension consultant

- 10. real estate broker or dealer
- 11. sponsor or syndicator of limited partnerships

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

### **Description of Our Code of Ethics**

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients may obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

### **Participation or Interest in Client Transactions**

Neither our firm nor any of our Associated Persons has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

### **Personal Trading Practices**

Our business model only involves advising on mutual funds and certain collective funds and, therefore, this section is not applicable.

## **Item 12 Brokerage Practices**

Our business model does not involve recommending or maintain any relationships with broker-dealers and, therefore, this section is not applicable.

### **Research and Other Soft Dollar Benefits**

We do not receive any soft dollar benefits from any broker-dealer.

### **Brokerage for Client Referrals**

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

### **Directed Brokerage**

Our business model does not involve recommending or maintain any relationships with broker-dealers and, therefore, this section is not applicable.

### **Block Trades**

We do not combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading").

## Item 13 Review of Accounts

### FOR PERIODIC ACCOUNT REVIEWS:

PrimeTRUST Advisors will monitor your accounts on a periodic basis and will conduct account reviews at least quarterly (some clients may opt for a semi-annual review) to ensure the advisory services provided to you are consistent with your current investment needs and objectives as stated within your Investment Policy Statement. Additional reviews may be conducted based on various circumstances, including, but not limited to:

- legislative, judicial, regulatory or other such influences,
- significant contributions and withdrawals,
- Plan Sponsor merger, acquisition, spin-off or significant layoff,
- market moving events,
- significant investment manager departures,
- change in your risk/return objectives.

We will provide you with additional or regular written reports in conjunction with account reviews. Reports we provide to you will contain research data to support any recommendations for change. Our firm's role will be to make recommendations and to provide information to you and *we do not have the authority to implement these recommendations* or cause you to act upon any recommendations made. Any decisions made on behalf of the Plan by the Plan Administrator and/or Plan Committee with respect to: a) the selection of plan investments and/or, b) plan administration will be made after the Plan Administrator's and/or Plan Committee's own independent consideration of the recommendations provided by us. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s) to serve as evidence of the implementation of any such decisions.

## Item 14 Client Referrals and Other Compensation

SEC regulations permit the payment of cash referral fees to individuals and companies (hereafter, "solicitors") who recommend prospective clients to us. The regulations provide, among other things, that there be a written agreement between the adviser and the solicitor that clearly defines the duties and responsibilities of the solicitor with respect to his/her referral activities on behalf of our organization. In addition to the agreement between our organization and the solicitor, we must also prepare a written disclosure document that explains to the prospective client the terms under which the solicitor is working with us and the fact that he/she is being compensated for the referral activities.

We do not receive any compensation from any third party in connection with providing investment advice to you.

## Item 15 Custody

PrimeTRUST Advisors does not maintain custody of its clients' accounts in the traditional sense.

In cases where our Firm's advisory fees are debited directly from client accounts, the Firm may be deemed to maintain custody according to the SEC. Payment of our fees, in such cases, are made by the qualified custodian. In all such cases, the client must provide written authorization permitting the fees to be paid directly from their account. Our firm will not have access to client funds for payment of fees without client consent in writing. Further, the qualified custodian must agree to deliver a quarterly account statement directly to you client, and never through our firm. Our firm may receive (we will have electronic access to) a duplicate copy of the statement that was delivered to you.



## Item 16 Investment Discretion

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

## Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

## Item 18 Financial Information

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1,200 in fees six or more months in advance nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

## Item 19 Requirements for State Registered Advisors

Since we are an SEC registered investment advisor, this section does not apply.

## Item 20 Additional Information

### Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as plan record-keepers and administrators, transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.



We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

### **Trade Errors**

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.

### **Class Action Lawsuits**

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.