

**CT Financial Advisors, LLC  
d/b/a  
CapTrust Financial Advisors**

**Form ADV Part 2A – Disclosure Brochure**

**Effective: February 28, 2015**

This Disclosure Brochure provides information about the qualifications and business practices of CT Financial Advisors, LLC d/b/a CapTrust Financial Advisors (“CapTrust”). If you have any questions about the contents of this Disclosure Brochure, please contact us at (610) 388-6246 or by email at [info@captrustfa.com](mailto:info@captrustfa.com).

CapTrust is a registered investment advisor with the U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about CapTrust to assist you in determining whether to retain the Advisor.

Additional information about CapTrust and its advisory persons are available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**CT Financial Advisors, LLC  
d/b/a  
CapTrust Financial Advisors  
CRD No: 159662  
Mendenhall Station  
330 Kennett Pike, Suite 209  
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Phone: (610) 388-6246 \* Fax: (484) 775-1385  
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## Item 2 – Material Changes

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Form ADV 2 is divided into two parts: Part 2A (the "Disclosure Brochure") and Part 2B (the "Brochure Supplement"). The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about advisory personnel of CapTrust.

CapTrust believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. CapTrust encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

### Material Changes

There are no material changes to this Disclosure Brochure since the last distribution to Clients.

### Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs in the business practices of CapTrust.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

To review the firm information for CapTrust:

- Click **Investment Advisor Search** in the left navigation menu.
- Select the option for **Firm** and enter **159662** (our firm's CRD number) in the field labeled "Firm Name or CRD#".
- This will provide access to Form ADV Part 1 and Part 2.
- Item 11 of the ADV Part 1 lists legal and disciplinary questions regarding the Advisor.
- In the left navigation menu, Form ADV Part 2 is located near the bottom.

You may also request a copy of this Disclosure Brochure at any time, by contacting us at (610) 388-6246 or by email at [info@captrustfa.com](mailto:info@captrustfa.com).

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## **Item 4 – Advisory Services**

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### **A. Firm Information**

CT Financial Advisors, LLC (“CapTrust” or the “Advisor”) is a Registered Investment Advisor with the U.S. Securities and Exchange Commission, which is organized as a Limited Liability Company (“LLC”) under the laws of the State of Pennsylvania. CapTrust was founded in November 2011, and is owned and operated by Principal, Mark J. Manning. This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by CapTrust.

### **B. Advisory Services Offered**

CapTrust offers investment advisory services to individuals, high net worth individuals, trusts, estates, business and pooled investment vehicles in Pennsylvania and other states (each referred to as a “Client”).

#### Investment Management

CapTrust provides customized investment advisory solutions for its Clients. This is achieved through continuous personal Client contact and interaction while providing both non-discretionary and discretionary investment management and consulting services. CapTrust works with each Client to identify their investment goals and objectives as well as risk tolerance and financial situation in order to create a portfolio allocation. CapTrust will then construct a portfolio, consisting of individual stocks and bonds, commodities funds and securitized real estate. An allocation is designed to best meet the long-term goals of our Clients. The Advisor may also utilize United States government bonds, municipal bonds, and mutual funds to meet the needs of its Clients.

Generally, the Advisor manages assets on a non-discretionary basis. In these instances the Clients must provide verbal or written approval to the Advisor prior to trade execution. In addition, the Advisor may manage certain assets on a discretionary basis, in which the Advisor has permission to execute trades without obtaining approval from Clients. CapTrust will explain each option to the Client and assist the Client in selecting the appropriate service based on the individual needs.

CapTrust’s investment strategy is primarily long-term focused, but the Advisor may buy, sell or re-allocate positions that have been held less than one year to meet the objectives of the Client or due to market conditions. Generally the Advisor monitors the allocations and rebalances the portfolio back to target allocations quarterly. CapTrust will construct, implement and monitor the portfolio to ensure it meets the goals, objectives, circumstances, and risk tolerance agreed to by the Client. Each Client will have the opportunity to place reasonable restrictions on the types of investments to be held in their respective portfolio, subject to the acceptance by the Advisor.

CapTrust evaluates and selects investments for inclusion in Client portfolios only after applying their internal due diligence process. CapTrust may recommend, on occasion, redistributing investment allocations to diversify the portfolio. CapTrust may recommend specific positions to increase sector or asset class weightings. The Advisor may recommend employing cash positions as a possible hedge against market movement. CapTrust may recommend selling positions for reasons that include, but are not limited to, harvesting capital gains or losses, business or sector risk exposure to a specific security or class of securities, overvaluation or overweighting of the position[s] in the portfolio, change in risk tolerance of Client, generating cash to meet Client needs, or any risk deemed unacceptable for the Client’s risk tolerance.

**Prior to rendering investment advisory services, CapTrust will ascertain, in conjunction with the Client, the Client’s financial situation, risk tolerance, and investment objective[s].**

CapTrust will provide investment advisory services and portfolio management services and will not provide securities custodial or other administrative services. At no time will CapTrust accept or maintain custody of a Client’s funds or securities. All Client assets will be managed within their designated brokerage account or pension account, pursuant to the Client investment advisory agreement.

### SCR Ultra Investment Fund

The SCR Ultra Fund, L.P. is a limited Partnership formed under the laws of the State of Delaware in June 2008. CapTrust PA, LLC, is a limited liability company formed under the laws of the State of Delaware and is the General Partner of SCR Ultra Investment Fund, L.P. ("SCR Fund"). The General Partner has the exclusive right and power to manage the operations of the SCR Fund and in this capacity it has engaged the Advisor to provide investment management services for the SCR Fund.

CapTrust will act as the investment manager of the SCR Fund pursuant to the investment advisory agreement between the SCR Fund and CapTrust. The SCR Fund is a hedge fund that seeks a similar level of long term returns that domestic equities have provided to investors by utilizing leverage and allocating capital across multiple markets, including equities, bonds, commodities and real estate by utilizing exchange traded funds ("ETFs"). The SCR Fund generally utilizes leverage when implementing its investment process. The amount of leverage will not generally exceed 1.6. This means that the SCR Fund may generally borrow up to \$0.60 for each \$1.00 of assets in the SCR Fund. The SCR Fund requires a minimum investment of \$500,000.

Certain Clients of CapTrust may invest in the SCR Fund. In these instances, Clients will pay fees in accordance with the offering documents and will not pay any additional investment advisory fees to CapTrust on assets invested in the SCR Fund.

**Clients should refer to the offering documents for a detailed fee schedule.** CapTrust PA, LLC has engaged CapTrust to provide investment management services to the SCR Fund. CapTrust is paid a 0.30% management fee per annum by CapTrust PA, LLC. Clients of CapTrust are under no obligation to invest in the SCR Fund.

### **C. Client Account Management**

Prior to engaging CapTrust to provide investment advisory services, each Client is required to enter into an investment advisory agreement with the Advisor that defines the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Policy Statement – CapTrust, in connection with the Client, may develop a statement that summarizes the Client's investment goals and objectives along with the broad strategy[ies] to be employed to meet the objectives.
- Asset Allocation – CapTrust will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance for risk for each Client.
- Portfolio Construction – CapTrust will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – CapTrust will provide investment management and ongoing oversight of the Client's portfolio and overall account.

### **D. Wrap Fee Programs**

CapTrust no longer sponsors a wrap program for new Clients, and may pay the transaction fees for certain legacy Client accounts receiving investment management services as part of its overall Investment Advisory Fee (See Item 5 – Fees and Compensation). The inclusion of these transaction costs into the Investment Advisory Fee is generally considered a "wrap fee program". While traditional wrap fee programs often have a defined set of investment options and uniform trading practices, CapTrust has *customized* its investment advisory services for its Clients. The wrap fee program merely provides for these services under a single annualized fee.

## E. Assets Under Management

As of December 31, 2014, the most recent date for which such calculations are provided pursuant to securities regulations, CapTrust manages the following assets:

Assets Under Management	Assets
Discretionary Assets	\$ 18,933,010
Non-Discretionary Assets	\$ 194,465,329
<b>Total</b>	<b>\$ 213,398,339</b>

## Item 5 – Fees and Compensation

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The following paragraphs detail the fee structure and compensation methodology for investment management. Each Client shall sign an investment advisory agreement that details the responsibilities of CapTrust and the Client.

### A. Fees for Advisory Services

#### Investment Management

Investment advisory fees are paid quarterly in advance pursuant to the terms of the investment advisory agreement. Investment advisory fees are based on the market value of assets under management at the end of each calendar quarter. Investment advisory fees range from .05% to 1.50% depending on the size and complexity of the Client relationship. Relationships with multiple objectives, specific reporting requirements, portfolio restrictions and other complexities may be charged a higher fee.

Investment advisory fees in the first quarter of service are prorated to the inception date of the account to the end of the first quarter. Fees may be negotiable at the discretion of the Advisor. The Client's fees will take into consideration the aggregate assets under management with Advisor. All securities held in accounts managed by CapTrust will be independently valued by the designated Custodian. CapTrust will not have the authority or responsibility to value portfolio securities.

#### SCR Ultra Investment Fund

Clients should refer to the offering documents for a detailed fee schedule. Generally investors in the SCR Fund pay a 0.30% per annum fee for investment management services. Clients should note that the fee may not be charged to the General Partner, investment manager, and affiliates and may be waived at the discretion of the General Partner.

In addition, Clients pay an administrative fee each month, in arrears, equally to 0.50% per annum. The administrator compensates the General Partners for managing the SCR Fund, overseeing the investment manager, paying the SCR Fund's administrator and generally meeting the obligations under the limited partnership agreement.

The General Partner may also receive an incentive share from the SCR Fund. This incentive share is paid monthly and equals 20% of the difference between the performance returns of the SCR Fund for the month and the performance returns of the S&P 500 Total Return Index for the same period. This fee is also contingent upon the net asset value of the SCR Fund as of the current month being higher than the net asset value of the SCR Fund as of the month end three months prior to the current month end.

### B. Fee Billing

#### Investment Management

Investment advisory fees will be automatically deducted from the Client Account by the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client Account at the respective quarter end date. The amount due is calculated by applying the quarterly rate (annual rate divided by 4) to the total assets under management with CapTrust at the end of each quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the Investment Advisory Fee. In addition, the Advisor may, upon request from the Client, provide a report itemizing the fee, including the calculation period covered by the fee, the account value and the methodology used to calculate the fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting CapTrust to be

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paid directly from their accounts held by the Custodian as part of the investment advisory agreement and separate account forms provided by the Custodian.

#### SCR Ultra Investment Fund

Clients should refer to the offering documents for a detailed fee schedule.

### **C. Other Fees and Expenses**

Clients may incur certain fees or charges imposed by third parties, other than CapTrust, in connection with investment made on behalf of the Client's account[s]. The Client is responsible for all custodial and securities execution fees charged by the custodian and executing broker-dealer. The Investment Advisory Fee charged by CapTrust is separate and distinct from these custodian and execution fees. In some instances, the Advisor may rebate ticket charges back to Clients. In these instances the Client will pay the ticket charges and will be rebated at the end of the quarter prior to the Advisor withdrawing the period's management fee.

In addition, all fees paid to CapTrust for investment advisory services are separate and distinct from the expenses charged by mutual funds and exchange-traded funds to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client could invest in these products directly, without the services of CapTrust, but would not receive the services provided by CapTrust which are designed, among other things, to assist the Client in determining which products or services are most appropriate to each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by CapTrust to fully understand the total fees to be paid.

### **D. Advance Payment of Fees and Termination**

#### Investment Management

CapTrust is compensated for its services in advance the quarter in which investment advisory services are rendered. Clients may request to terminate their investment advisory agreement with CapTrust, in whole or in part, by providing advance written notice. The Client shall be responsible for investment advisory fees up to and including the effective date of termination. Upon termination, the Advisor will refund any unearned, prepaid investment advisory fees from the effective date of termination to the end of the quarter. The Client's investment advisory agreement with the Advisor is non-transferable without Client's written approval.

#### SCR Ultra Investment Fund

Clients should refer to the offering documents for a detailed understanding of the withdrawal process.

### **E. Compensation for Sales of Securities**

CapTrust does not buy or sell securities and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

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

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CapTrust does not charge performance-based fees for its investment advisory services. The fees charged by CapTrust are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

CapTrust has been engaged to provide advice to a private investment fund. CapTrust PA, LLC, has hired the Advisor to provide investment management services to the SCR Ultra Investment Fund, L.P. CapTrust PA LLC is an affiliated Advisor and the principals of CapTrust do have a financial incentive to recommend investment in the SCR Ultra Investment Fund, L.P. due to this affiliation. CapTrust is paid a 0.30% management fee by CapTrust PA, LLC. Clients do not pay a management fee directly to CapTrust for assets invested in the SCR Ultra Investment Fund, L.P., but pays fees according to the private funds offering documents.

CapTrust PA, LLC does receive an incentive share as the General Partner. This incentive share is paid monthly and equals 20% of the difference between the performance returns of the SCR Fund for the month and the performance returns of the S&P 500 Total Return Index for the same period. This fee is also contingent upon the

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net asset value of the SCR Fund as of the current month being higher than the net asset value of the SCR Fund as of the month end three months prior to the current month end.

## **Item 7 – Types of Clients**

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CapTrust provides investment advisory services to the following types of Clients:

- Individuals, Personal Trusts and Estates – private investors, investing their personal assets
- Pension and Profit Sharing Plans – retirement plan sponsors or company plans
- Corporations and Businesses – taxable business entities, investing cash reserves
- Private Funds – private fund, such as a hedge fund

The relative percentage each type of Client is available on CapTrust's Form ADV Part 1. These percentages will change over time. CapTrust generally does not impose a minimum account size for establishing a relationship.

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

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### **A. Methods of Analysis**

CapTrust primarily employs fundamental analysis methods in developing investment strategies for its Clients. Research and analysis from CapTrust is derived from numerous sources, including financial media companies, third-party research materials, Internet sources, and review of company activities, including annual reports, prospectuses, press releases and research prepared by others.

As noted above, CapTrust generally employs a long-term investment strategy for its Clients, as consistent with their financial goals. CapTrust will typically hold all or a portion of a security for more than a year, but may hold for shorter periods for the purpose of rebalancing a portfolio or meeting the cash needs of Clients. At times, CapTrust may also buy and sell positions that are more short-term in nature, depending on the goals of the Client and/or the fundamentals of the security, sector or asset class.

### **B. Risk of Loss**

Investing in securities involves certain investment risks. Securities may fluctuate in value or lose value. Clients should be prepared to bear the potential risk of loss. CapTrust will assist Clients in determining an appropriate strategy based on their tolerance for risk and other factors noted above. However, there is no guarantee that a Client will meet their investment goals.

Fundamental analysis utilizes economic and business indicators as investment selection criteria. These criteria are generally ratios and trends that may indicate the overall strength and financial viability of the entity being analyzed. Assets are deemed suitable if they meet certain criteria to indicate that they are a strong investment with a value discounted by the market. While this type of analysis helps the Advisor in evaluating a potential investment, it does not guarantee that the investment will increase in value. Assets meeting the investment criteria utilized in the fundamental analysis may lose value and may have negative investment performance. The Advisor monitors these economic indicators to determine if adjustments to strategic allocations are appropriate. More details on the Advisor's review process are included in Item 13.

Each Client engagement will entail a review of the Client's investment goals, financial situation, time horizon, tolerance for risk and other factors to develop an appropriate strategy for managing a Client's account. Client participation in this process, including full and accurate disclosure of requested information, is essential for the analysis of a Client's account. The Advisor shall rely on the financial and other information provided by the Client or their designees without the duty or obligation to validate the accuracy and completeness of the provided information. It is the responsibility of the Client to inform the Advisor of any changes in financial condition, goals or other factors that may affect this analysis.

The risks associated with a particular strategy are provided to each Client in advance of investing Client accounts. The Advisor will work with each Client to determine their tolerance for risk as part of the portfolio construction process.



CapTrust may use margin in Client accounts for to manage the timing of purchases and sales, as appropriate. CapTrust may employ options strategies to hedge or gain additional exposure to a particular asset class or sector. CapTrust's investment strategy encompasses active trading in concentrated portfolios. Following are some of the risks associated with certain transactions:

#### Alternative Investments (Limited Partnerships)

The performance of alternative investments (limited partnerships) can be volatile and may have limited liquidity. An investor could lose all or a portion of their investment. Such investments often have concentrated positions and investments that may carry higher risks. Clients should only have a portion of their assets in these investments.

#### Margin Borrowings

The use of short-term margin borrowings may result in certain additional risks to a Client. For example, if securities pledged to brokers to secure a Client's margin accounts decline in value, the Client could be subject to a "margin call", pursuant to which it must either deposit additional funds with the broker or be the subject of mandatory liquidation of the pledged securities to compensate for the decline in value.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involve a risk of loss that each Client should understand and be willing to bear. Clients are reminded to discuss these risks with the Advisor.**

### Item 9 – Disciplinary Information

There are no legal, regulatory or disciplinary events involving CapTrust or any of its employees. CapTrust and its advisory personnel value the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider in which you partner. Our backgrounds are on the Investment Adviser Public Disclosure website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). To review the firm information contained in ADV Part 1, select the option for Investment Adviser Firm and enter **159662** in the field labeled "Firm IARD/CRD Number". This will provide access to Form ADV Parts 1 and 2. Item 11 of the ADV Part 1 lists legal and disciplinary questions. You may also research the background of Mark J. Manning by selecting the Investment Adviser Representative and entering Mr. Manning's Individual CRD# **2476784** in the field labeled "Individual CRD Number".

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

#### SCR Ultra Investment Fund

Mr. Manning is also a Member of CapTrust PA, LLC. CapTrust PA, LLC is the General Partner of SCR Ultra Investment Fund, LP ("SCR Fund"). The SCR Fund is a hedge fund with a minimum investment of \$500,000. Certain Clients of CapTrust may invest in the SCR Fund. In these instances, Clients will pay fees in accordance with the offering documents and will not pay any investment advisory fees to CapTrust on assets invested in the SCR Fund. Clients should refer to the offering documents for a detailed fee schedule. CapTrust PA, LLC has engaged CapTrust to provide investment management services to the SCR Fund. CapTrust is paid a 0.30% management fee per annum by CapTrust PA, LLC. Clients of CapTrust are under no obligation to invest in the SCR Fund.

Mr. Manning is also an investor in the SCR Fund.

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

#### **A. Code of Ethics**

CapTrust has implemented a Code of Ethics that defines our fiduciary commitment to each Client. This Code of Ethics applies to all persons associated with CapTrust. The Code of Ethics was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. CapTrust and its personnel owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of CapTrust associates to

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adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code of Ethics covers a range of topics that may include; general ethical principles, reporting personal securities trading, reportable securities, initial public offerings and private placements, reporting ethical violations, distribution of the Code of Ethics, review and enforcement processes, amendments to Form ADV and supervisory procedures. CapTrust has written its Code of Ethics to meet and exceed regulatory standards. To request a copy of our Code of Ethics, please contact us at (610) 388-6246 or via email at [info@captrustfa.com](mailto:info@captrustfa.com).

#### **B. Personal Trading with Material Interest**

CapTrust allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. CapTrust does not act as principal in any transactions. In addition, the Advisor does not act as the General Partner of a fund, or advice an investment company. CapTrust does not have a material interest in any securities traded in Client accounts.

#### **C. Personal Trading in Same Securities as Clients**

CapTrust allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a potential conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted, consistent with Section 204A of the Investment Advisers Act of 1940, a Code of Ethics, which addresses insider trading (material non-public information controls) and personal securities reporting procedures. We have also adopted written policies and procedures to detect the misuse of material, non-public information. We may have an interest or position in certain securities, which may also be recommended to you.

In addition the Code of Ethics governs Gifts and Entertainment given by and provided to the Advisor, outside employment activities of employees, Employee reporting, sanctions for violations of the Code of Ethics, and records retention requirements for various aspects of the Code of Ethics.

#### **D. Personal Trading at Same Time as Client**

While CapTrust allows our employees to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, these trades do not occur at the same time. CapTrust will place trades only after Client orders have been placed and filled.

**At no time, will CapTrust or any associated person of CapTrust, transact in any security to the detriment of any Client.**

### **Item 12 – Brokerage Practices**

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#### **A. Recommendation of Custodian[s]**

CapTrust does not have discretionary authority to select the broker-dealer /custodian for custodial and execution services or the administrator for defined contribution accounts. The Client will select the broker-dealer or custodian (herein the "custodian") to safeguard Client assets and authorize CapTrust to direct trades to this custodian as agreed in the investment advisory agreement. Further, CapTrust does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where CapTrust does not exercise discretion over the selection of the custodian, it may recommend the custodian[s] to Clients for execution and/or custodial services. Clients are not obligated to use the recommended custodian and will not incur any extra fee or cost associated with using a broker not recommended by CapTrust. CapTrust may recommend a custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, and location of the custodian's offices. CapTrust does not receive research services, other products, or compensation as a result of recommending a particular broker that may result in the Client paying higher commissions than those obtainable through other brokers.

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Following are additional details regarding the brokerage practices of the Advisor:

1. **Soft Dollars** - Soft dollars are revenue programs offered by broker-dealers whereby an advisor enters into an agreement to place security trades with the broker in exchange for research and other services. **CapTrust does not participate in soft dollar programs sponsored or offered by any broker-dealer.**
2. **Brokerage Referrals** - CapTrust does not receive any compensation from any third party in connection with the recommendation for establishing a brokerage account.
3. **Directed Brokerage** - All Clients are serviced on a “directed brokerage basis”, where CapTrust will place trades within the established account[s] at the custodian designated by the Client. Further, all Client accounts are traded within their respective brokerage account[s]. The Advisor will not engage in any principal transactions (i.e., trade of any security from or to the Advisor’s own account) or cross transactions with other Client accounts (i.e., purchase of a security into one Client account from another Client’s account[s]). In selecting the custodian, CapTrust will not be obligated to select competitive bids on securities transactions and does not have an obligation to seek the lowest available transaction costs. These costs are determined by the designated custodian.

#### **B. Aggregating and Allocating Trades**

The primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the broker. CapTrust will execute its transactions through an unaffiliated broker-dealer selected by the Client. CapTrust may aggregate orders in a block trade or trades when securities are purchased or sold through the same broker-dealer for multiple (discretionary) accounts, however, the Advisor generally does not block trades for accounts managed on a non-discretionary basis due to differences in the timing of approval from the Clients.

### **Item 13 – Review of Accounts**

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#### **A. Frequency of Reviews**

Accounts are monitored on a regular and continuous basis by Mr. Manning, Principal of CapTrust. Formal reviews are generally conducted at least annually or more or less frequently depending on the needs of the Client.

#### **B. Causes for Reviews**

In addition to the investment monitoring noted in Item 13A, each Client account shall be reviewed at least annually. Reviews may be conducted more or less frequently at the Client’s request. Accounts may be reviewed as a result of major changes in economic conditions, known changes in the Clients financial situation, and/or large deposits or withdrawals in the Clients account. The Client is encouraged to notify CapTrust if changes occur in his/her personal financial situation that might adversely affect his/her investment plan. Additional reviews may be triggered by material market, economic or political events.

#### **C. Review Reports**

The Client will receive brokerage statements no less than quarterly from the trustee or custodian. These brokerage statements are sent directly from the custodian to the Client. The Client may also establish electronic access to the custodian’s website so that the Client may view these reports and their account activity. Client brokerage statements will include all positions, transactions and fees relating to the Client’s account[s]. The Advisor may also provide Clients with periodic reports regarding their holdings, allocations, and performance.

### **Item 14 - Client Referrals and Other Compensation**

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#### **A. Compensation Received by CapTrust**

##### **SCR Ultra Investment Fund**

Mr. Manning is also a Member of CapTrust PA, LLC. CapTrust PA, LLC is the General Partner of SCR Ultra Investment Fund, LP (“SCR Fund”). The SCR Fund is a hedge fund with a minimum investment of \$500,000.

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CT Financial Advisors, LLC

Mendenhall Station

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Certain Clients of CapTrust may invest in the SCR Fund. In these instances, Clients will pay fees in accordance with the offering documents and will not pay any investment advisory fees to CapTrust on assets invested in the SCR Fund. Clients should refer to the offering documents for a detailed fee schedule. CapTrust PA, LLC has engaged CapTrust to provide investment management services to the SCR Fund. CapTrust is paid a 0.30% management fee per annum by CapTrust PA, LLC. Incentive fees are paid directly to the General Partner. Clients of CapTrust are under no obligation to invest in the SCR Fund.

#### **B. Client Referrals from Solicitors**

CapTrust does not engage paid solicitors for Client referrals.

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### **Item 15 – Custody**

CapTrust does not accept or maintain custody of any Client accounts, other than the ability to directly deduct advisory fees. All Clients must place their assets with a qualified custodian. Clients are required to select their own custodian to retain their funds and securities and direct CapTrust to utilize that custodian for the Client's security transactions. CapTrust encourages Clients to review statements provided by account custodian. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

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### **Item 16 – Investment Discretion**

CapTrust generally does not have discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. For non-discretionary Clients the Advisor will contact the Client and obtain approval prior to executing trades. In addition, in certain instances, the Advisor may have discretionary authority to select the security and amount to be bought or sold without obtaining prior consent of the Client.

In both types of accounts, discretionary and non-discretionary, the purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by CapTrust. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by CapTrust will be in accordance with each Client's investment objectives and goals.

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### **Item 17 – Voting Client Securities**

CapTrust does not accept proxy-voting responsibility for any Client. Clients will receive proxy statements directly from the Custodian. The Advisor will assist in answering questions relating to proxies, however, the Client retains the sole responsibility for proxy decisions and voting.

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### **Item 18 – Financial Information**

Neither CapTrust, nor its management has any adverse financial situations that would reasonably impair the ability of CapTrust to meet all obligations to its Clients. Neither CapTrust, nor any of its advisory persons, has been subject to a bankruptcy or financial compromise. CapTrust is not required to deliver a balance sheet along with this Brochure, as the firm does not collect advance fees of \$1,200 or more for services to be performed six months or more in advance.

## Privacy Policy

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Effective: February 28, 2015

### Our Commitment to You

CT Financial Advisors, LLC ("CapTrust") is committed to safeguarding the use of your personal information that we have as your Investment Advisor. CapTrust (referred to as "we", "our" and "us" throughout this notice) protects the security and confidentiality of the personal information we have and make efforts to ensure that such information is used for proper business purposes in connection with the management or servicing of your account. Our relationship with you is our most important asset. We understand that you have entrusted us with your private information, and we do everything we can to maintain that trust.

We do not sell your non-public personal information to anyone. Nor does CapTrust provide such information to others except for discrete and proper business purposes in connection with the servicing and management of your account as discussed below.

Details of our approach to privacy and how your personal non-public information is collected and used are set forth in this privacy policy.

### The Information We Collect About You

You typically provide personal information when you complete the paperwork required to become our Client. This information may include your:

• Name and address	• Assets
• E-mail address	• Income
• Phone number	• Account balance
• Social security or taxpayer identification number	• Investment activity
	• Accounts at other institutions

In addition, we may collect non-public information about you from the following sources:

- Information we receive on Brokerage Agreements, Managed Account Agreements and other Subscription and Account Opening Documents;
- Information we receive in the course of establishing a customer relationship including, but not limited to, applications, forms, and questionnaires;
- Information about your transactions with us or others

### Information About You That CapTrust Shares

CapTrust works to provide products and services that benefit our customers. We may share non-public personal information with non-affiliated third parties (such as brokers and custodians) as necessary for us to provide agreed services and products to you consistent with applicable law. We may also disclose non-public personal information to other financial institutions with whom we have joint business arrangements for proper business purposes in connection with the management or servicing of your account. In addition, your non-public personal information may also be disclosed to you, persons we believe to be your authorized agent or representative, regulators in order to satisfy CapTrust's regulatory obligations, and is otherwise required or permitted by law. Lastly, we may disclose your non-public personal information to companies we hire to help administrate our business. Companies we hire to provide services of this kind are not allowed to use your personal information for their own purposes and are contractually obligated to maintain strict confidentiality. We limit their use of your personal information to the performance of the specific service we have requested.

**To repeat, we do not sell your non-public personal information to anyone.**

### Information About Former Clients

CapTrust does not disclose, and does not intend to disclose, non-public personal information to non-affiliated third parties with respect to persons who are no longer our clients.

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**Confidentiality and Security**

Our employees are advised about the firm's need to respect the confidentiality of our customers' non-public personal information. Additionally, we maintain physical, procedural and electronic safeguards in an effort to protect the information from access by unauthorized parties.

**We'll Keep You Informed**

We will send you notice of our privacy policy annually for as long as you maintain an ongoing relationship with us. Periodically we may revise our privacy policy, and will provide you with a revised policy if the changes materially alter the previous privacy policy. We will not, however, revise our privacy policy to permit the sharing of non-public personal information other than as described in this notice unless we first notify you and provide you with an opportunity to prevent the information sharing. You may obtain a copy of our current privacy policy by contacting us at (610) 388-6246 or via email at [info@captrustfa.com](mailto:info@captrustfa.com).