

Firm Brochure
(Part 2A of Form ADV)

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This brochure provides information about the qualifications and business practices of Jolliffe Capital, Inc. If you have any questions about the contents of this brochure, please contact us at: (303) 469-6273, or by email at: pat@jolliffecapital.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 JCI is available on the SEC's website at www.adviserinfo.sec.gov

MATERIAL CHANGES

ANNUAL UPDATE

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

MATERIAL CHANGES SINCE THE LAST UPDATE

The U.S. Securities and Exchange Commission issued a final rule in July 2010 requiring investment advisers to provide a Firm Brochure in narrative “plain English” format. The new final rule specifies mandatory sections and organization.

FULL BROCHURE AVAILABLE

Whenever you would like to receive a complete copy of our Firm Brochure, please contact us by telephone at: (303) 469-6273 or by email at: pat@jolliffecapital.com

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ADVISORY BUSINESS

Who We Are

Jolliffe Capital, Inc. was founded in 2006. We are registered* as an investment adviser with the Securities and Exchange Commission (“SEC”).

We provide personalized, confidential financial planning and investment management to individuals, pension and profit sharing plans, trusts, estates, charitable organizations and small businesses.

We are a fee-only financial planning and investment management firm. We do not sell securities, on commission or otherwise. However, some of our associated persons are licensed insurance agents who receive commissions on sale of insurance policies from insurance companies. We are not affiliated with entities that sell financial products or securities. Our Investment Adviser Representatives (“IA Reps”) selling insurance products contract directly with the insurance carrier, and we have no interest in the relationship nor do we receive any compensation from these IA Reps selling insurance products. The same holds true for our IA Reps who are associated with a broker-dealer firm, which allows them to sell commissioned securities products, such as variable annuities, variable life insurance, alternative investments, and the like. We have no interest in any broker-dealer relationship that exists between our IA Reps and their broker-dealer, nor do we receive any compensation when one of these broker-licensed IA Reps sells securities for which they are paid a commission by the broker-dealer.

We provide investment advice to you on a discretionary basis unless you are part of a formal retirement plan. In that case, we offer only non-discretionary advice to you. We do not act as a custodian of your or anyone else’s assets. You always maintain control of your assets through your account at a custodian.

Principal Owners

Our principal owners are:

- Patrick Jolliffe is a 45% stockholder.
- Shawn Mercer is a 45% stockholder.
- Louis Kleager is a 5% stockholder.
- Carmen Kleager is a 5% stockholder.

*Please note that the fact we are registered with the SEC does not imply we have attained any level of skill or training.

TYPES OF OUR ADVISORY SERVICES

We provide investment supervisory services, also known as asset/investment management services, and furnish investment advice through consultations. We are often retained to furnish financial planning advice on matters not involving securities, such as financial planning, taxation issues and trust services that often include estate planning. We may also advise participant members of public and private retirement plans providing both discretionary and non-discretionary investment management services to plan participants, depending on the nature of the relationship.

Investment Management

You elect this service when you want us to manage your investments on a continuous, ongoing basis. As a part of our management agreement, you grant us limited discretionary power, and authorize us to trade your accounts and collect our management fee.

Presently, we work with three companies we refer to as sub-advisers. These companies advise us on the types of securities to buy and sell, and we pay them a fee for their service that is included in the gross fee you pay us. The sub-advisers with whom we presently work are: Alta Capital Management (provides us buy/sell recommendations on domestic stocks); Della Parolla Capital Management, LLC (provides us buy/sell recommendations on fixed income exchange traded funds); and Todd Asset Management (provides us buy/sell recommendations on international stocks). We refer to the models utilizing sub-adviser advice as our “SMA models.” It is important to note that it is only us to whom you grant limited power of attorney to trade in your account. We hire sub-advisers to assist us in selecting the best-quality investments for you and to help us maximize positive return and diversify against risk, as much as possible. Chris Metscher, one of our IA Reps, trades the securities in clients’ accounts and is backed up by Patrick Jolliffe, our President, and Kirk Freedle, another of our IA Reps. We invest your account(s) based upon the investment objectives as reflected in your Risk Tolerance and Profiling Questionnaire that we provide for you to complete. We will provide whatever assistance you need in completing the Questionnaire, along with either our Lifestyle Plan or Comprehensive Plan (see below) at a 50% discount, on your request.

Most of our clients choose to have us manage their assets in order to obtain ongoing, in-depth advice and life planning, which is, essentially, a part of our financial planning services, but is included as a part of the investment management services, at no additional fee. Our Investment Committee meets once per month to review all of our investment models and the individual investments we have purchased, to discuss any changes that we feel may be warranted. As a fee-only adviser, we are not compensated by commission to trade your account(s); rather, the only reason we sell a security and buy another is that we feel the newly purchased security will outperform its predecessor.

The members of our Investment Committee are:

- Patrick S. Jolliffe, AIF®, ChFC®, President, Chief Executive Officer and IA Rep of JCI;
- Kirk A. Freedle, ChFC®, President of Innovative Financial Partners, LLC and IA Rep of JCI; and

- Chris Metscher, CFP®, President, Soda Creek Financial and IA Rep of JCI.

We have four main investment opportunities that we offer our clients, listed below. Please refer to the section entitled, “Our Portfolio Models” for a detailed description of each.

- JCI ETF MODEL STRATEGIES
- JCI MULTI-CAP EQUITY MODEL STRATEGIES
- JCI OPTIONS HEDGING STRATEGY
- JCI INDUSTRY-SPECIFIC, AGGRESSIVE OPTIONS STRATEGY

Through www.happy401k.com, we also provide generic, non-discretionary asset allocation advice based upon an online risk tolerance questionnaire completed by user.

The Kingdom Project

Most investors are paying someone to manage their money. Whether you are invested in mutual funds directly, load, no-load, managed accounts for stocks and bonds, etc., someone is getting paid. The reality is that many investors have money invested in mutual funds, but they have no relationship with the fund or its manager. Furthermore, the fees being paid to the fund and manager are a direct expense of the fund, which lowers proportionately the net return to the investor. The Kingdom Project is a way for investors to transfer to us their mutual funds, and have us re-invest those funds into one of our low-cost exchange traded fund models. We then pay the equivalent of 60 basis points per year, based upon the total account value, to the qualified charitable organization of the investor’s choice. Not all investors are accepted into the program, with each being subject to approval by our owners. For more information, see www.kingdomproject.biz.

Financial Planning

We offer a no-obligation, complimentary risk assessment of your current investment portfolio. This is done to determine if your present investment allocation is in line with your long-term goals and risk tolerance. Should you wish to engage us further, our fee for preparing a comprehensive financial plan is negotiable, and generally costs no more than \$2,000 to prepare.

We are available to prepare a financial plan and furnish recommendations to you regarding the allocation of your financial resources among different types of assets including investments, savings and insurance with a view toward better correlating your assets with your financial planning objectives.

We can also assist you with specific projects, such as defining your personal financial planning goals and objectives to be pursued in the areas of business planning, children’s education, retirement planning, disability protection, estate planning, tax planning and

investments. We may also recommend actions and investment strategies necessary to attain these goals and objectives.

A financial plan is designed to help you with all aspects of financial planning without ongoing investment management after the financial plan is completed.

Our president, Patrick S. Jolliffe, CFP®, ChFC, AIF®, personally determines who among our staff will work with you on your financial plan. Whoever Pat selects will gather the facts required about your circumstances and then provide them to Pat, who will then prepare the final plan for presentation to you. Thereafter, financial plans are reviewed only upon your request unless you retain us to update the plan on a continuous basis.

Your financial plan may include, but is not limited to:

- a net worth statement;
- a cash flow statement;
- a review of investment accounts, including reviewing asset allocation and providing repositioning recommendations;
- strategic tax planning;
- a review of retirement accounts and plans including recommendations;
- a review of insurance policies and recommendations for changes, if necessary;
- one or more retirement scenarios;
- estate planning review and recommendations; and
- education planning with funding recommendations.

You are under no obligation to accept or act upon any of the recommendations we make, to retain us to provide investment management services, or to purchase any product or service from any of our staff members. Engaging us to prepare a financial plan for you may be the only service you request. Hiring us to prepare a plan does not require that you hire us to provide our investment advisory services or to purchase any insurance products through our insurance licensed people or otherwise. There is an inherent conflict of interest for us whenever we have recommended in your financial plan that you engage the services of an investment adviser to provide professional investment management services, or that you purchase insurance products or other financial products or services. We are compensated for preparing financial plans and for providing investment management services, and those of our staff who are licensed to sell insurance likely will receive compensation in connection with selling insurance and other products and services. We cannot represent these products and services are offered at the lowest available cost; you may be able to obtain the same products or services at a lower cost from other providers.

Our Financial Services Agreement

We commence our investment management services by working with *you*. We obtain background information about your financial circumstances, investment objectives and risk tolerance, among other things, by asking you to fill out our Risk Tolerance and Profiling Questionnaire. If you already have written investment policy statements or written investment guidelines, we will review them. If they are consistent with how you and we have decided to move forward, we will implement and monitor for compliance with them as part of our investment management services, subject to any written revisions or updates you provide.

In the Financial Services Agreement (“IA Agreement”) we ask you to sign prior to the commencement of our providing investment management services to you, we clearly identify the type of service(s) we offer, including investment management services, the preparation of a financial plan and/or the preparation of an Investment Policy Statement. To choose any of these services, you simply identify each with a ‘check’ or initial where indicated in the IA Agreement. We also clearly identify in the IA Agreement the sub-adviser we intend to hire, if any, and the sub-adviser’s fee. Should a sub-adviser be hired and subsequently fired at any point in the future, we will send you a letter in which we specify the date of that termination.

In connection with becoming our client, we recommend that you designate Charles Schwab International (“Schwab”) as the broker-dealer to hold the account (“Account”) we will manage for you, and your holdings will be transferred to Schwab accordingly. Schwab will provide monthly statements to you reflecting all Account activity.

We provide you a quarterly report in which is reflected, at a minimum, a summary of the Account holdings and a report of portfolio investment allocations. A statement reflecting our quarterly fee is sent to Schwab at the same time you are invoiced. Schwab’s monthly statements include a report of all disbursements and the amount of our advisory fee and other fees charged.

Please note that we are prohibited from assigning investment advisory agreements like your IA Agreement without your prior consent.

You may terminate your IA Agreement with us at any time by notifying us of your request in writing. You will be charged *pro rata* for any services provided through to the date of termination. If you made an advance payment, we will refund any unearned portion.

We may terminate our IA Agreement with you at any time by notifying you in writing. If you made an advance payment, again, we will refund any unearned portion.

A full refund of all fees paid will be made to you if the IA Agreement is terminated within five business days of the date you signed it. If you are receiving management services, you are expected to pay all fees earned, prorated to date of termination. The IA Agreement will also terminate when we complete and deliver your financial plan, unless you have elected to retain us to provide further investment management services.

We reserve the right to terminate any financial planning engagement if you have willfully concealed or refused to provide pertinent information about your financial situation when

necessary and appropriate, in our judgment, to providing proper financial advice. Any unused portion of fees collected in advance will be refunded.

How We Determine Suitability

Determining the suitability of investments for you is the essence of our fiduciary responsibility. It is not our job to determine the type of investor you may be; rather, our job is to interview and question you to make as sure as possible we have a clear understanding of your tolerance for risk and your end-goals. With that information in hand, we employ an investment strategy we believe is best suited for attaining those goals within the limits expressed.

We determine what strategy might be most suitable for you in a two step process. First, we ask you to complete our Client Profile and Client Risk Tolerance Questionnaire. Your answers to this questionnaire provide us a framework from which we can begin to understand how you feel about money, how you may react to declines in value, your need for income, capital appreciation, tolerance for risk, and the like. Next, we discuss the same types of information asked about in the Questionnaire with you, but the focus now is more on how you really “feel” about your money, what is emotionally important to you, when will you need money, what might cause you to fire us, what might cause you to refer us to someone else, and the like.

The answers generated during our discussion serve to complement those you provided in the Questionnaire, and give us further insight to you and what strategy and investments might be most suitable for your needs and circumstances.

In addition to the Questionnaire and discussion, it is often the case in dealing with new clients that we are asked to provide a comprehensive financial plan for you. This plan becomes an integral part of our suitability determination, and we use it in an attempt to forecast on a reasonable basis what your lifestyle may be like once you retire. This financial plan can be updated as often as necessary. Based upon such changes and investment results, the whole process tends to repeat, and you, by answering questions differently, change the kind of investor you are, directly affecting your suitability parameters. For example, as you age, you may need more income for health expenses. Such a change might drive a change from your being invested in a model more geared toward growth to a model more suited toward producing current income.

Sub-adviser

We may select separate money managers to assist us in managing your investments in particular strategies. As mentioned in the Investment Management section above, we currently, employ Alta Capital Management, Della Parolla and Todd Asset Management.

Jolliffe

We manage those accounts that have not been directed to a sub-adviser ourselves. We have developed a number of model portfolios to manage your Account. Based on the information we gather from you, your Account is assigned a designation within our portfolio management system. For example, if your total account balance is below \$50,000, the Account will be

handled as part of our “JCI ETF model.” If you have requested that your portfolio contain a certain fixed income component, the Account will be designated in a different group. If you have imposed special trading restrictions for your Account, it will be noted in the “Comment” field we use when preparing trade allocations.

Rebalancing and Style Drift

Regardless of the path you choose for your Account, we monitor it in a number of different ways. Daily, we look at trades and deposits/withdrawals from the previous day’s business. This is done to ensure that you remain invested in a manner consistent with your requirements and circumstances. Additionally, your Account is reconciled daily to make sure that the custodian’s data matches ours (or the sub-adviser’s) data. One custodian with which we work for our hedged options strategy is Options House. Accounts held there are reconciled weekly. Each month, the Investment Committee meets to review and among various subjects, discusses the performance of the individual investments in all accounts. Also monthly, we create a performance interval, again, to check the integrity of the pricing used and to compare your portfolio’s performance to relevant indices. Once a quarter, we check your portfolio to make sure that it has the proper allocation of equities, fixed income securities and ETFs.

Risk-Adjusted Rate of Return

For the equity component of our portfolios, we mitigate overall portfolio volatility by incorporating more outperforming, low-correlation strategies into your portfolio. This blueprint guides our allocation to each investment approach, with the primary objective being to produce a high return while minimizing volatility. Ideally, this portfolio is composed of at least 50 stocks.

Our Portfolio Models

Our portfolio models are differentiated by the types of investments each holds. Our JCI Exchange Traded Fund (ETF) models hold nothing but ETF’s as the investments, and we have six ETF models. Our SMA Models hold stocks, perhaps some direct bonds, and/or ETFs; we have five SMA models

The description of each model follows:

JCI ETF MODELS: There are six, which are listed below from the most conservative risk allocation to the most aggressive. Each model is made up of a number of different exchange traded funds (ETFs) that comprise 100% of each model’s investment holdings.

Conservative
Conservative Income
Moderate Income
Conservative Appreciation
Moderate Appreciation
Appreciation

JCI SMA MODELS: There are five, which are listed below from the most conservative risk allocation to the most aggressive. Each model is made up of a number of different stocks, possibly some bonds and/or ETFs.

HEDGED OPTIONS STRATEGY: Rather than being a model, this strategy is utilized for investor's who prefer higher rates of return typically offered by fixed income investments such as bonds, CDs or money market funds, but at the same time cannot tolerate large losses in their account. This strategy is uniquely designed to lessen risk while at the same time taking advantage of the potential higher returns available in stocks.

INDUSTRY-SPECIFIC, AGGRESSIVE OPTIONS STRATEGY: This strategy is utilized for investor's who can risk losing all of their investment. The opportunity to gain or lose is greater as a result of the use of options. The manager determines when funds are invested, into which options, how long to hold them, and the like.

We have in place an Investment Research Team that provides the research we use to determine our allocation strategy for each model portfolio. The majority of our research is performed by Capital Market Consultants, LLC, of Milwaukee, Wisconsin, a firm we have retained on a contractual basis. The individual members of our Investment Research Team are:

- Dr. Abdhur Chowdhury, PhD, Economics Department Chair and Professor, Marquette University;
- Barry Mendelson, CIMA, President and Founder, Capital Market Consultants, LLC, Milwaukee, Wisconsin;
- Robert Cummisford , CFA, Partner, Capital Market Consultants, LLC;

The members of the JCI Investment Committee are:

- Patrick S. Jolliffe
- Kirk A. Freedle, ChFC, JCI IAR and President of Innovative Financial Partners, LLC
- Chris Metscher, CFP, JCI IAR and President of Soda Creek Financial Advisors

We make changes within our model portfolios when the Investment Research Team, reviewing pertinent factors such as global economic factors, dictates to our Investment Committee, that they are warranted. An example would be a rising interest rate environment. In such a case, the Investment Research Team may suggest to lessen exposure to long-term corporate bonds, which may have more risk exposure in a rising interest rate environment, and reinvest the money into Treasury Inflation Protected Securities, which perform more positively in a rising interest rate and inflationary environment. Many economic factors can and do affect the allocation of models. It is our responsibility, in concert with the members of our Investment Research Team, to monitor the global economic factors that influence various investments and asset classes and to the best of our professional ability, and make changes accordingly.

Our models are described as being “passively” managed. What is meant by this term is that we do not “day trade” or constantly trade securities in the account on a daily or frequent basis. Rather than applying a technical trading approach, ours is more “fundamental” in nature, meaning we research the economic environment and apply our research in our decision-making process relating to the allocation of investments within each model.

Option Hedging Strategy

We have developed a proprietary investment strategy in which we utilize option positions to hedge against market declines and still allow for upside appreciation of your portfolio. Specifically, using this strategy, we invest in securities we determine to be leaders in their specific industry classifications that also may produce income through dividends and other means. We also look to purchase and sell options contracts, both calls and puts, to help mitigate losses in the strategy and for you. We actively manage this model portfolio; there is a potentially higher risk due to the use of options. All fees are disclosed to you in the IA Agreement and addenda to it.

Industry Specific Model

We have developed a proprietary investment strategy that utilizes an industry-specific segment focus and employs the use of option contracts at certain times in the economic and market cycle of this segment. Specifically, using this strategy, we invest in the energy sector, and may invest in other industry sectors from time to time. This model has a higher risk profile and unless you are very risk tolerant, this is likely not the strategy for you. Fees charged for this strategy are negotiated with you prior to implementation of the strategy. We disclose all fees to you through the IA Agreement and addenda to it.

Accounts Managed Under www.happy401k.com

We provide investment management services to certain pension/profit sharing plans – namely defined contribution plans in the form of 401(k) plans, 457 plans, and the like. In any of these plans where we have been named a co-fiduciary and Investment Adviser, the investment choices may include both ETFs and managed mutual funds. In this role, we are subject to the Employee Retirement Income Security Act (“ERISA”) and we contractually acknowledge such role in writing. As an Investment Adviser to each plan, we provide non-discretionary investment advice and may assist you as a plan participant in selecting individual investments within your retirement account. We are presently transitioning our 401k plans to a new custodian. Each participants account will be assigned to one of our models. Whenever we make a change in the allocation of one of our models, each account assigned to the affected model will be traded and re-allocated to match the allocation change made to the model.

We do not have any wrap fee arrangement with any broker-dealer.

As of December 31, 2014, we managed approximately \$143,430,791 in assets for approximately 378 clients. Approximately \$130,658,433.29 of that amount is managed on a discretionary basis, and \$12,772,357.48 is managed on a non-discretionary basis.

OUR FEES AND OTHER COMPENSATION

For Investment Management

Our investment management fees are negotiable and billed each quarter in advance. By signing the IA Agreement, you grant us authority to debit the amount of our fee (and that of any sub-adviser) from your Account on a quarterly basis. If we provide services to your account for only a partial quarter, we will prorate our fees accordingly.

The fees for investment management services are asset-based and vary with the amount of assets under our management. We have a minimum account size of \$25,000, although we may allow accounts of smaller size in certain circumstances, and retain the right to negotiate the fee structure on a per client basis. Our annual fees are as follows:

ETF Management	1.45%
Multi-Cap Equity	1.85%
Hedged Options Strategy	3.00%*
Industry-Specific, Aggressive Options Strategy	
Accounts <\$100,000	4.00%**
Accounts >\$100,000	3.00%**

*The hedged options strategy requires the manager to be attentive to accounts at all times, ready to trade at any given moment. This is different than how we manage our other models, which are based upon a buy and hold strategy. As a result of the significant workload and activity associated with the strategy, the fees are higher than they would be for a more passive strategy such as our other models.

**This strategy requires the manager to be attentive to accounts at all times, ready to trade at any given moment. This is different than how we manage our other models, which are based upon a buy and hold strategy. As a result of the significant workload and activity associated with the strategy, the fees are higher than they would be for a more passive strategy such as our other models.

Any mutual fund expense, or transaction cost/brokerage fee, if applicable, is charged separately. The fees for the Multi-Cap Equity apply when we also utilize a sub-adviser to assist in investing your money in a particular strategy. In those instances, our fees and the sub-adviser fees are combined.

We bill on a cycle based on your last name:

- A-I – February, May, August and November

- J-Q – March, June, September and December
- R-Z – January, April, July and October

For Financial Planning

We offer three levels of financial planning services:

Lifestyle Plan - Up to \$2,000

These services address emergency reserves, debt reduction, net worth, asset allocation, disability and life insurance protection, accumulation goals (including education planning, if requested), retirement, and long-term care planning. The fee is payable upon the signing of the agreement. JCI will deliver the plan within 60 days of the date the agreement is signed and fee is collected. The client may have the client's financial plan updated with their new goals and portfolio values, at a discounted fee.

Comprehensive Plan - Negotiable

This service includes preparation of a Lifestyle Plan plus an estate analysis, tax-planning, stock option analysis, family limited partnership planning and business analysis, if appropriate. The fee is payable upon the signing of the IA Agreement. We will deliver the plan within 90 days of the date you sign the IA Agreement and pay our fee. Later, we will update your financial plan as new goals and portfolio values change, at a discounted fee.

Written Investment Policy Statement ("IPS")- \$1,000

The purpose of a Written Investment Policy Statement is to create a document you can give to any investment adviser to convey your strict instructions as to how you want the adviser to manage your money. Our fee is payable upon signing of the IA Agreement. We will deliver the IPS to you within 60 days thereafter. We create this IPS for you after a thorough review of your current investments. Our review includes the following:

- your specific goals and investment horizon;
- range of return expectations;
- risk tolerance and limits;
- investment constraints;
- written review of current investments and suggested changes in strategy through the use of generic products and services.
- asset allocation modeling and diversification.

If we seek to raise our fees, we must notify you in writing, electronically, via email, of the proposed change. Increases may only become effective if you and we agree to the proposed fee

amendments in writing. Such mutual agreement of any proposed changes will be made when we receive your agreement by return email. If you do not agree with our proposal, we may cancel our IA Agreement with you upon thirty (30) days written notice to you, delivered electronically via email, and refund any prepaid fees as contemplated herein.

Conflicts of Interests

Sales Compensation

Some of our staff members are licensed as registered representatives of Sunbelt Securities, or Intervest International Equities Corporation, both broker-dealers and each a member of Financial Industry Regulatory Authority ("FINRA") through which they may recommend and sell commissionable securities products. Some staff members are insurance agents and may sell certain insurance products and paid a commission. These licensed people may spend approximately 20% of their time engaged in these activities.

Due to these sales relationships, a conflict of interest exists between the interests of persons associated with us, and you. However, you are under no obligation to act upon any of the recommendations that may be made or effect any transactions through persons associated with us if you decide to follow the recommendations.

Fees Vary by Service

We offer several different services detailed in this brochure under which we are compensated differently depending on the service. We have a conflict of interest in that it is in our best interest to recommend services that offer a higher level of compensation to us through either higher management fees or reduced administrative expenses. We mitigate this conflict through our procedures to review your Account to make sure we have invested your funds in a manner consistent with your personal financial needs and circumstances. Further, we are committed to our obligation to ensure our staff members adhere to our Code of Ethics and to ensure that we all fulfill our fiduciary duty to you.

PERFORMANCE-BASED FEES

At the present time, we do not charge performance based fees to any clients. Under no circumstances do we charge fees based on a share of the capital gains or capital appreciation of managed securities. However, we may invest your funds in certain types of investments managed by advisers that do charge a performance fee. In such a case, we do not receive any portion of such a fee. For this type of investment, you should refer to the offering or private placement memorandum for an explanation and amounts of the performance fees.

OUR CLIENTS

We generally provide investment advice to individuals, pension and profit sharing plans, trusts, estates, or corporations and other business entities.

Additionally, we make some investment tools available to the general public for use in retirement plans like 401(k) plans. The general public can access www.happy401k.com for general investment advice and education. Upon registering for this free site, after you complete an online risk tolerance questionnaire, a proposed investment allocation is generated. Thereafter, it is your responsibility to implement that advice if you choose to do so. Further, it is your responsibility to revisit the site for another review if any change in circumstances.

You also understand that we do not guarantee investment results. Losses may occur in accounts under our management.

Our relationships with our clients vary in scope and length of service.

Generally, we require that a minimum of \$25,000 be placed under our management to commence a new client relationship. This is negotiable depending on individual client circumstances. We have sole discretion as to whether the account minimum will be waived.

OUR METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Securities analysis methods are often described as charting, fundamental analysis, technical analysis and cyclical analysis.

In developing our investment decisions, our main sources of information include financial newspapers and magazines, research materials prepared by others, corporate rating services, annual reports, prospectuses, and filings with the Securities and Exchange Commission, and company press releases.

In addition to these sources, we engage Capital Market Consultants, a Milwaukee, Wisconsin based research consulting firm, to provide us analysis of information regarding the economy, capital market performance, and diversified investment strategies that may be suitable for investors with different risk tolerances and investment objectives. The decision to implement these strategies and to determine which strategies may be suitable for any individual investor is entirely our responsibility and at our discretion.

OUR INVESTMENT STRATEGIES

Our investment strategies may include long-term purchases, short-term purchases, and margin transactions. We globally diversify our portfolios to control the risk associated with traditional markets. Our ETF strategies do not involve frequent trading. However, portfolios utilizing a sub-adviser may be more frequently traded. Portfolios utilizing our Industry Specific Strategy model may include short-term investments, option contracts, margin transactions and frequent trading.

The investment strategy for you will be based upon the objectives we mutually agreed upon during our consultations after you complete our Risk Tolerance Questionnaire in which you documents your objectives and desired investment strategy.

RISK OF LOSS

As a function of the wide range of market diversification we achieve for our clients invested in our models, we feel that we do an adequate job of mitigating some of the overall market risk in our client's investment portfolio. By their very nature, exchange traded funds are substantially diversified across many different types of investments. We take that a step further by investing in several different exchange-traded funds. The result is excellent diversification of investments, which is a key component to lowering the overall risk of a portfolio.

Our Industry Specific, Aggressive Options Strategy is the only model we offer that is not adequately diversified. Therefore, clients should not be invested in this strategy with an amount more than they would be willing to lose.

Any investment through us involves risk, including the possibility for a complete loss of capital and conflicts of interest. All investment programs have certain risks that are borne by you. The risks that you may encounter when working with us are described as follows:

Market Risks

Market Volatility. The performance of investments we manage depends substantially upon us correctly assessing the future price movements of stocks, bonds, options on stocks, and other securities and the movements of interest rates. We cannot guarantee that we will be successful in accurately predicting price and interest rate movements.

Jolliffe Capital, Inc's Investment Activities. Our investment activities involve a significant degree of risk. The performance of any investment is subject to numerous factors that are neither within our control or predictable. Such factors include a wide range of economic, political, competitive, technological and other conditions (including acts of terrorism and war) that may affect investments in general or specific industries or companies. The securities markets may be volatile, which may adversely affect our ability to realize profits. Additionally, specific investments under our strategy may require significant time to realize the expected return and may experience a pricing correction in a faster-than-expected time, subjecting your investments to reinvestment risk. Likewise, our investment strategy is partially dependent on our ability to correctly identify and assess technology's impact on a company's business. As a result of the nature of our investing activities, it is possible that our financial performance may fluctuate substantially over time and from period to period.

Leverage. When we deem it appropriate, and subject to applicable regulations, we may incur leverage in our investment program, whether directly through the use of borrowed funds, or indirectly through investment in certain types of financial instruments with inherent leverage, such as puts, calls and warrants, which may be purchased for a fraction of the price of the underlying securities while giving the purchaser the full benefit of movement in the market of those underlying securities. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. To the extent we purchases securities with borrowed funds, its net assets will tend to increase or decrease at a greater

rate than if borrowed funds are not used. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect our operating results. If the interest expense on this leverage were to exceed the net return on the investments made with borrowed funds, our use of leverage would result in a lower rate of return than if we were not leveraged.

If the amount of borrowings that we may have outstanding at any one time is large in relation to its capital, fluctuations in the market value of our portfolios will have disproportionately large effects in relation to our capital and the possibilities for profit and the risk of loss will therefore be increased. Any investment gains made with the additional monies borrowed will generally cause the net asset value of our overall holdings to rise more rapidly than would otherwise be the case. Conversely, if the investment performance of the additional monies borrowed fails to cover their cost to us, the net asset value of our holdings will generally decline faster than would otherwise be the case.

Certain of our trading and investment activities may be subject to Federal Reserve Board ("FRB") margin requirements, which are computed each day. At present, the FRB's Regulation T permits a broker to lend no more than 50% of the purchase price of "margin stock" bought by a customer. When the market value of a particular open position changes to a point where the margin on deposit does not satisfy maintenance margin requirements, a "margin call" on the customer is made. If the customer does not deposit additional funds with the broker to meet the margin call within a reasonable time, the customer's position may be closed out. In the event of a precipitous drop in the value of the assets we manage, we might not be able to liquidate assets quickly enough to pay off the margin debt and might suffer mandatory liquidation of positions in a declining market at relatively low prices, incurring substantial losses.

Overall, the use of leverage, while providing the opportunity for a higher return on investments, also increases the volatility of such investments and the risk of loss. You should be aware that an investment program utilizing leverage is inherently more speculative, with a greater potential for losses, than a program that does not utilize leverage.

Options and Other Derivative Instruments. We may invest, from time to time, in options and other derivative instruments, including, but not limited to, the buying and selling of puts and calls on some of the securities we hold. The prices of many derivative instruments, including many options and swaps, are highly volatile. The values of options and swap agreements depend primarily upon the price of the securities, indexes, commodities, currencies or other instruments underlying them. Price movements of options contracts and payments pursuant to swap agreements are also influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. We are also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearinghouses or of counterparties. The cost of options is related, in part, to the degree of volatility of the underlying securities, currencies or other assets. Accordingly, options on highly volatile securities, currencies or other assets may be more expensive than options on other investments.

Put options and call options typically have similar structural characteristics and operational mechanics regardless of the underlying instrument or asset on which they are purchased or sold.

A put option gives the purchaser of the option, upon payment of a premium, the right to sell, and the writer the obligation to buy, the underlying security, commodity, index, currency or other instrument or asset at the exercise price. A call option, upon payment of a premium, gives the purchaser of the option the right to buy, and the seller the obligation to sell, the underlying instrument or asset at the exercise price.

If a put or call option we purchased were permitted to expire without being sold or exercised, we would lose the entire premium paid for the option. The risk involved in writing a put option is that there could be a decrease in the market value of the underlying instrument or asset caused by rising interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold to us at a higher price than its current market value. The risk involved in writing a call option is that there could be an increase in the market value of the underlying instrument or asset caused by declining interest rates or other factors. If this occurred, the option could be exercised and the underlying instrument or asset would then be sold by us at a lower price than its current market value.

Purchasing and writing put and call options and, in particular, writing “uncovered” options are highly specialized activities and entail greater than ordinary investment risks. We do not engage in these types of investments.

Market or Interest Rate Risk. The price of most fixed income securities move in the opposite direction of the change in interest rates. For example, as interest rates rise, the price of fixed income securities falls. If we hold a fixed income security to maturity, the change in its price before maturity may have little impact on our performance; however, if we have to sell the fixed income security before the maturity date, an increase in interest rates could result in a loss for us.

Maturity Risk. In certain situations, we may purchase a bond of a given maturity as an alternative to another bond of a different maturity. Ordinarily, under these circumstances, we will make an adjustment to account for the interest rate risk differential in the two bonds. This adjustment, however, makes an assumption about how the interest rates at different maturities will move. To the extent that the yield movements deviate from this assumption, there is a yield-curve or maturity risk. Another situation where yield-curve risk should be considered is in the analysis of bond swap transactions where the potential incremental returns are dependent entirely on the parallel shift assumption for the yield curve.

Inflation Risk. Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if we purchase a five-year bond in which we can realize a coupon rate of 5%, but the rate of inflation is 6%, then the purchasing power of the cash flow has declined. For all but inflation-linked bonds, adjustable bonds or floating rate bonds, we are exposed to inflation risk because the interest rate the issuer promises to make is fixed for the life of the security. To the extent that interest rates reflect the expected inflation rate, floating rate bonds have a lower level of inflation risk.

Investments in Non-U.S. Investments. From time to time, we may invest and trade a portion of its assets in non-U.S. securities and other assets (through American Depositary Receipts (“ADRs”) and otherwise), which will give rise to risks relating to political, social and economic developments

abroad, as well as risks resulting from the differences between the regulations to which U.S. and foreign issuers and markets are subject. Such risks may include:

- Political or social instability, the seizure by foreign governments of company assets, acts of war or terrorism, withholding taxes on dividends and interest, high or confiscatory tax levels, and limitations on the use or transfer of portfolio assets.
- Enforcing legal rights in some foreign countries is difficult, costly and slow, and there are sometimes special problems enforcing claims against foreign governments.
- Foreign securities and other assets often trade in currencies other than the U.S. dollar, and we may directly hold foreign currencies and purchase and sell foreign currencies through forward exchange contracts. Changes in currency exchange rates will affect our net asset value, the value of dividends and interest earned, and gains and losses realized on the sale of investments. An increase in the strength of the U.S. dollar relative to these other currencies may cause the value of our investments to decline. Some foreign currencies are particularly volatile. Foreign governments may intervene in the currency markets, causing a decline in value or liquidity of our foreign currency holdings. If we enter into forward foreign currency exchange contracts for hedging purposes, we may lose the benefits of advantageous changes in exchange rates. On the other hand, if we enter forward contracts for the purpose of increasing return, we may sustain losses.
- Non-U.S. securities, commodities and other markets may be less liquid, more volatile and less closely supervised by the government than in the United States. Foreign countries often lack uniform accounting, auditing and financial reporting standards, and there may be less public information about the operations of issuers in such markets.

Regulatory Risks

Trading Limitations. For all securities, instruments and/or assets listed on an exchange, including options listed on a public exchange, the exchange generally has the right to suspend or limit trading under certain circumstances. Such suspensions or limits could render certain strategies difficult to complete or continue and subject us to loss. Also, such a suspension could render it impossible for us to liquidate positions and thereby expose us to potential losses.

Conflicts of Interest. In the administration of client accounts, portfolios and financial reporting, we face inherent conflicts of interest that are described in this brochure. Generally, we mitigate these conflicts through our Code of Ethics in which we pledge that your interests will always be held above ours.

Supervision of Trading Operations. We, with assistance from our brokerage and clearing firms, intend to supervise and monitor trading activity in the portfolio accounts to ensure compliance with your and our objectives. Despite our efforts, however, there is a risk that unauthorized or otherwise inappropriate trading activity may occur in portfolio accounts.

Depending on the nature of the investment management service you select and the securities used to implement the investment strategy, you will be exposed to risks that are specific to the securities in your particular investment portfolio.

DISCIPLINARY INFORMATION

Patrick Jolliffe has received notice of an ongoing and pending investigation by the CFP Board, which alleges that beginning in 2008, Mr. Jolliffe breached his fiduciary duty by accepting loans from three clients. Mr. Jolliffe paid the entire principal balance of the loans back to each client in full including 7% annual interest, which was negotiated by the clients as a part of the loan term. No other persons or entities associated with Jolliffe Capital, Inc. have been or are subject to any legal or disciplinary events.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

As stated previously, some of our staff members are licensed as registered representatives of Sunbelt Securities, or Intervest International Equities Corporation, both broker-dealers and each a member of Financial Industry Regulatory Authority (“FINRA”) through which they may recommend and sell commissionable securities products. Some IA Reps are insurance agents and may sell certain insurance products and be paid a commission. These licensed people may spend approximately 20% of their time engaged in these activities. We do not receive any compensation related to insurance or securities sales.

Due to these sales relationships, a conflict of interest exists between the interests of persons associated with us and you. However, you are under no obligation to act upon any of the recommendations that may be made or effect any transactions through persons associated with us if you decide to follow the recommendations.

Our website may be accessed at www.jolliffecapital.com.

AFFILIATIONS

We also have contractual agreements with Expertplan, Inc. (a subsidiary of Ascensus), a retirement plan administration firm catering to independent investment management firms. We also have a contractual agreement with The Trust Company of America, a retirement plan administration firm catering to Registered Investment Advisers. Through these agreements, we offer pension and profit sharing consulting services under the private label “Happy401k.” We market our services through www.happy401k.com, a free site where we offer non-discretionary asset allocation advice in addition to discretionary investment management services for fee-paying retirement plans serviced directly by us.

OUR CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

We have adopted a Code of Ethics in which we establish standards of conduct for our supervised persons. Our Code of Ethics includes general requirements that such supervised persons comply with their fiduciary obligations to you and applicable securities laws, and specific requirements relating to, among other things, personal trading, insider trading, conflicts of interest and confidentiality of client information. Under our Code, we require supervised persons to report their personal securities transactions and holdings quarterly to our Compliance Officer, and we require our Compliance Officer to review those reports. Under our Code, we also require our supervised persons to report any violations promptly to our Compliance Officer. Each of our supervised persons receives a copy of the Code of Ethics and any amendments to it, and must acknowledge in writing having received the materials. Annually, each supervised person must certify that he or she complied with the Code of Ethics during that year. You may obtain a copy of our Code of Ethics by contacting our Compliance Officer.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Under our Code of Ethics, we, our managers, members, officers and employees may invest personally in securities of the same classes as are purchased for you and may own securities of the issuers whose securities are subsequently purchased for you and other clients. If an issue is purchased or sold for our clients and any of us, our managers, members, officers and employees on the same day purchase or sell the same security, you and us, our managers, members, officers or employees shall receive or pay the same price or you shall receive a more favorable price. We, our managers, members, officers and employees may also buy or sell specific securities for their own accounts based on personal investment considerations, which we do not deem appropriate to buy or sell for clients.

PERSONAL TRADING

Our Chief Compliance Officer is Patrick Jolliffe. He reviews all employee trades each quarter (except for his own trading activity—that is reviewed by Shawn Mercer). The personal trading reviews ensure that the personal trading of employees does not affect the markets, and that you and our other clients receive preferential treatment.

OUR BROKERAGE PRACTICES

SELECTING BROKERAGE FIRMS

We do not receive client referrals from broker-dealers or third parties as consideration for selecting or recommending brokers for client accounts.

We have the authority over the selection of the broker-dealer to be used and the commission rates to be paid without obtaining your specific consent. We may recommend brokerage firms as qualified custodians and for trade execution.

BEST EXECUTION

When executing transactions through relationships maintained by our associated persons, you may pay commissions or fees that are higher or lower than those that may be obtained from elsewhere for similar services. You are advised that you are under no obligation to implement the plan or its recommendations through the associated persons in their capacities as registered representatives.

By electing Investment Management Services, we will recommend that you establish brokerage accounts with Schwab, a registered broker-dealer, to maintain custody of your assets and to effect trades for your Account.

SOFT DOLLARS

We and Schwab are separate, unaffiliated entities. Schwab provides us access to its institutional trading and operations services typically not available to Schwab's retail customers. These services generally are available to independent investment advisers at no charge to them so long as a total of at least \$10 million of the adviser's clients' account assets are maintained at Schwab. Schwab's services include brokerage, custody, research, access to mutual funds and other investments that are otherwise available only to institutional investors or would require a significantly higher minimum initial investment. Schwab also makes available to us other products and services that benefit us. Some of these other products and services assist us in managing and administering your accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees from your Accounts, and assist with back-office support, record keeping and client reporting.

Many of these services generally may be used to service all or a substantial number of our accounts, including accounts not maintained at Schwab. Schwab provides various products, services and other benefits to us at no cost or a reduced cost based upon our commitment that our clients will place or maintain a specified dollar amount of assets in accounts with Schwab within a specified period of time. We may be influenced by this commitment in recommending or requiring that clients establish brokerage accounts at Schwab.

The products and services or other benefits provided by Schwab include portfolio management systems that combine accounting, client reporting and performance tracking, enhanced levels of technical support by personnel of Schwab or its affiliates and registration fees for industry conferences sponsored by Schwab. Some of the products, services and other benefits provided by Schwab benefit us and may not benefit our clients' accounts. Our recommendation that you place assets in Schwab's custody may be based in part on benefits to us, and not solely

on the nature, cost or quality of custody and execution services provided by Schwab. We place trades for our clients' accounts subject to our duty of best execution and other fiduciary duties.

We may use broker-dealers other than Schwab to execute trades for your accounts maintained at Schwab, but this practice may result in additional costs to you so that we are more likely to place trades through Schwab rather than other broker-dealers. Schwab's execution quality may be different from other broker-dealers.

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

We may recommend other custodians. These recommendations are based on our perception of the breadth of services offered, and quality of execution. However, you may pay commissions or fees that are higher or lower than those that may be obtained from elsewhere for similar services. You are advised that you are under no obligation to act on our recommendations.

ORDER AGGREGATION

We may purchase and/or sell the same security for many accounts, even though each account is individually managed. When possible, we may also aggregate the same transaction in the same securities for many clients for whom we have discretion to select brokerage. Clients in aggregated transactions each receive the same price per unit, although you may pay differing brokerage commissions depending upon the nature of their selected brokerage arrangement, if any.

If more than one price is paid for securities in an aggregated transaction, each client in the aggregated transaction will receive the average price paid for the block of securities in the same aggregated transaction for the day. If we are unable to fill an aggregated transaction completely, but receive a partial fill of the aggregated transaction, we will allocate the filled portion of the transaction to clients based on an equitable rotational system as follows:

- We must ensure that adequate and full disclosure of our allocation and bunching practices has been made prior to the transaction.
- You and all other clients/investors, accounts or funds participating in the aggregated order shall receive an average share price with all other transaction costs shared on a *pro rata* basis.
- Aggregate transactions must not be executed unless the intended and resultant aggregation is consistent with its duty to seek best execution and any terms found in our written agreements.
- Aggregated orders filled in their entirety shall be allocated among you and all other participating clients/investors, accounts or funds in accordance with an allocation statement created prior to the execution of the transaction(s); partially filled orders shall be allocated *pro rata* based on the allocation statement and the variance from the

modeled allocation of a security. Where this method prescribes an odd-lot that is less than 100 shares for an account, the allocation will be rounded up to a whole lot. Your funds and the funds of others held collectively for the purpose of completing the transaction may not be held in this commingled manner for any longer than is practical to settle the transaction.

- You and each client/investor, account or fund that participates in an aggregated order will participate at the average share price for all our transactions in that security on a given business day, with transaction costs shared *pro rata* based on your and each other client/investor's, account's or fund's participation in the transaction.
- Investments resulting from any aggregated order must be consistent with your specific investment objective(s) and those of each client/investor, account or fund as detailed in any written agreements. No additional compensation shall result from the proposed allocation. Neither you nor any other Client/investor, account or fund will be favored over any other Client/investor, account or fund as a result of the allocation.
- Pre-allocation statement(s) specifying your and the other participating Client/investor accounts and the proposed method to allocate the order among the clients/investors, accounts or funds are required prior to any allocated order. Basis for establishing pre-allocations may include *pro rata* of account assets to assets for the specific strategy, executing broker and variance from modeled position holding as factors. Should the actual allocation differ from the allocation statement, such trade may only be settled with the approval of the CCO or another of our appropriately qualified and authorized principals.

In cases where you have negotiated the commission-rate directly with a broker, we will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, you will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade.

REVIEW OF YOUR ACCOUNTS

Our IA Reps perform reviews of all investment advisory accounts no less than quarterly. Accounts are reviewed for consistency with the investment strategy and performance among other things. We provide copies of the reports we generate to you by mail or secure email, depending upon your preference. They include, but are not necessarily limited to, account holdings, performance and billing statements. Each IA Rep is then responsible to review your set of reports. Additional reviews may be triggered by such things as changes in your personal, tax or financial status.

It is also important to note that trade blotters from the previous day's business are reviewed daily, which reflect all deposits, withdrawals, buy and sales that took place across all accounts.

Macroeconomic and company specific events may also trigger reviews. There is currently no limit on the number of accounts that can be reviewed by an IA Rep. Brokerage statements are generated no less than quarterly. These statements are sent directly to you by your account custodian. These reports contain a list of your account positions, activity in your account over the

covered period, and other related information. You are also sent confirmations following each brokerage account transaction unless you have waived receiving them.

CLIENT REFERRALS AND OTHER COMPENSATION

REFERRALS IN/OUT

We have entered into solicitor agreements with various individuals and entities. These individuals and/or entities have contracted with us to refer potential clients to us in return for compensation for such referral. Each solicitor is required to disclose the relationship with us to each prospect, in writing, by presenting our Solicitor Disclosure Document, in which we detail the relationship that exists between us and the solicitor, including the amount of the fee we will pay to the solicitor should the referred prospect become our client.

We do not have any formal agreements in place for referring clients out to other professionals.

OTHER COMPENSATION

Some of our IA Reps are insurance agents who receive commissions as compensation. We are not affiliated with any entities that sell financial products or securities.

CUSTODY

We do not accept or permit anyone affiliated with our company to obtain custody of client assets, including cash, securities, acting as trustee, provide bill paying service, having password access to control account activity or any other form of controlling client assets. All checks or wire transfers to fund your accounts are required to be made out to/sent to the account custodian and transferred to the custodian by the end of the next business day.

ACCOUNT STATEMENTS

All assets are held at qualified custodians and the custodians provide account statements not less than quarterly to you at your address of record. You should carefully review such statements for any discrepancies or inaccuracies.

PERFORMANCE REPORTS

Pursuant to recent amendments to Rule 206(4) under the Investment Advisers Act of 1940, the SEC requires investment advisers to urge clients to compare the information set forth in their statement from us with the statements received directly from the custodian to ensure accuracy of all account transactions.

INVESTMENT DISCRETION

DISCRETIONARY AUTHORITY FOR TRADING

We contract for discretionary authority to transact portfolio securities accounts on behalf of clients. You grant us discretionary authority to trade your account in our IA Agreement.

LIMITED POWER OF ATTORNEY

Per this discretionary authority, we have the authority to determine, without obtaining your specific consent, the securities we will buy and sell, and the amounts, as reflected in your Risk Tolerance and Profiling Questionnaire, and as granted via a Limited Power of Attorney over your account. You also grant us the authority to hire and terminate sub-advisers as we deem necessary. Our discretionary authority regarding investments may however be subject to certain limitations. These limitations are recognized as the restrictions and prohibitions you place on transactions in certain types of business or industries. All such restrictions are to be agreed upon in writing at the account's inception.

VOTING CLIENT SECURITIES

PROXY VOTES

We will not vote nor advise you as to how to vote proxies for securities held in your Accounts. It is your responsibility for the voting of these proxies if you wish to do so. We do not give any advice or take any action with respect to the voting of these proxies. For ERISA accounts, the plan fiduciary specifically retains the authority and responsibility for the voting of any proxies for securities held in plan accounts. We promptly pass along any proxy voting information to you or your representatives.

FINANCIAL INFORMATION

FINANCIAL CONDITION

We do not have any financial impairment that will preclude us from meeting contractual commitments to you. We meet all net capital requirements to which we are subject and we have not been the subject of a bankruptcy petition in the last 10 years.

Therefore, we are not required to provide a balance sheet to you, as we do not serve as a custodian for your funds or securities, and do not require prepayment of fees of more than \$1,200 per client, and six months or more in advance.

BUSINESS CONTINUITY PLAN

General

We have a Business Continuity Plan in place in which we provide detailed steps to mitigate and recover from the loss of office space, communications, services or key people.

Disasters

Our Business Continuity Plan covers natural disasters such as snow storms, hurricanes, tornados and flooding. The Plan covers man-made disasters such as loss of electrical power, loss of water pressure, fire, bomb threat, nuclear emergency, chemical event, biological event, T-1 communications line outage, Internet outage, railway accident and aircraft accident. Electronic files are backed up daily and archived offsite.

Alternate Offices

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

Loss of Key Personnel

To the extent key personnel in the company are lost, we will transfer specific day-to-day duties to the key personnel in the companies with which we have an affiliation.

Summary of Business Continuity Plan

A summary of the business continuity plan is available upon request to our Chief Compliance Officer.

INFORMATION SECURITY PROGRAM

Information Security

We maintain an information security program to reduce the risk that your personal and confidential information may be breached. This also includes a secure email channel through which your documents may be shared via an encrypted service, ensuring privacy and security of client-sensitive information.

Privacy Policy/Notice

Below is a summary of our Privacy Policy regarding your personal information. A complete version of the Privacy Policy is delivered to each new client, and to existing clients on an annual basis. A copy may be obtained by contacting our Compliance Officer.

We:

1. collect non-public personal information about you from the following sources:
 - information received from you on applications or other forms;

- information about your transactions with us, our affiliates and others;
 - information received from our correspondent clearing broker with respect to client accounts;
 - medical information submitted as part of an insurance application for a traditional life or variable life policy; and
 - information received from service bureaus or other third parties.
2. will not share such information with any affiliated or unaffiliated third party except:
- when necessary to complete a transaction in your account, such as with the clearing firm or account custodians;
 - when required to maintain or service your account;
 - to resolve customer disputes or inquiries;
 - with persons acting in a fiduciary or representative capacity on your behalf;
 - with rating agencies, persons assessing compliance with industry standards, or to our attorneys, accountants and auditors;
 - in connection with a sale or merger of our business;
 - to protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims or other liability;
 - to comply with federal, state or local laws, rules and other applicable legal requirements;
 - in connection with a written agreement to provide investment management or advisory services when the information is released for the sole purpose of providing the products or services covered by the agreement;
 - in any circumstances with your instruction or consent.
3. restrict access to confidential client information to individuals who are authorized to have access to your confidential client information and need to know that information to provide services to clients; and
4. maintain physical, electronic and procedural security measures that comply with applicable state and federal regulations to safeguard your confidential information.
