

## **Wrap Fee Program Brochure**

### **The Advocate Group, LLC**

601 Carlson Pkwy., Suite 1100

Minnetonka, MN 55305

952-693-2630

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

Date of Brochure: November 2015

---

This Wrap Fee Program Brochure provides information about the qualifications and business practices of The Advocate Group, LLC. If you have any questions about the contents of this brochure, please contact Shannon O'Leary at 952.693.2630 or [soleary@TheAdvocateGroup.com](mailto:soleary@TheAdvocateGroup.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. Registration as an investment adviser does not imply a certain level of skill or training.

Additional information about The Advocate Group, LLC is also available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can view The Advocate Group, LLC's information on this website by searching for The Advocate Group, LLC. You may search for information by using The Advocate Group, LLC's name or by using The Advocate Group, LLC's CRD number. The CRD number for The Advocate Group, LLC is 155270.

## **Item 2 – Material Changes**

No material changes have occurred since the date of our last brochure, dated September 2015.

The following material change was previously noted in our September 2015 brochure:

Employees of The Advocate Group, LLC (“The Advocate Group”) no longer maintain securities licensure with LPL Financial. This change became effective September 2015 and was a business decision that provides The Advocate Group with an opportunity to minimize actual or perceived conflicts of interest. Registered representatives will no longer receive commissions and/or on-going mutual fund 12b-1 payments as a result of securities transactions.

We will ensure that you receive a summary of material changes, if any, to this and subsequent disclosure brochures within 120 days after our fiscal year end. Our fiscal year ends on December 31 so you will receive the summary of material changes, if any, no later than April 30 each year. At that time we will also offer a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

### Item 3 – Table of Contents

Item 2 – Material Changes .....	2
Item 3 – Table of Contents .....	3
Item 4 – Services, Fees and Compensation .....	4
Description of the Program .....	4
Performance-Based Fees and Side-By-Side Management .....	6
Item 5 – Account Requirements and Types of Clients .....	6
Item 6 – Portfolio Manager Selection and Evaluation .....	7
Voting Client Securities .....	8
Item 7 – Client Information Provided to Portfolio Managers .....	9
Item 8 – Client Contact with Portfolio Managers .....	9
Item 9 – Additional Information .....	9
Privacy Policy and Terms of Use .....	13

#### **Item 4 – Services, Fees and Compensation**

The Advocate Group Managed Account Program (referred to as the “Program”) at LPL Financial, LLC is an investment advisory wrap fee program sponsored by The Advocate Group, LLC (“The Advocate Group”). The Advocate Group, LLC’s (“The Advocate Group”) sister company, TAG Financial Services, Inc. (formerly known as The Advocate Group, Inc.) was founded in 2001. The practice grew rapidly through the efforts of the founders and referrals from existing clients. The firm has focused its service offering to senior officers of large companies and today, our clientele are dispersed across the country.

The Advocate Group is a Minnesota limited liability company and a federally-registered investment advisory firm since 2011. Controlling members include:

- Ricky L. Lueck, Managing Member & Advisor
- David B. Van Benschoten, Member, Treasurer & Chief Investment Officer
- Shannon M. O’Leary, Member & Chief Compliance Officer

As of August 31, 2015, our assets under management are \$417,377,885 with \$411,916,568 managed on a discretionary basis and \$5,461,317 managed on a non-discretionary basis.

##### **Description of the Program**

The Program has been developed through an arrangement with LPL Financial, LLC, whereby The Advocate Group utilizes LPL Financial’s Strategic Wealth Management platform. Through the Program, The Advocate Group provides a customized and individualized investment program for clients as a wrap fee program, which provides clients with the ability to trade in certain investment products without incurring separate brokerage commissions or transaction charges. A wrap fee program is considered any arrangement under which clients receive investment advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and the execution of client transactions for a fee not based upon transactions in their accounts.

Prior to receiving services through the Program, clients are required to enter into a written agreement with The Advocate Group setting forth the relevant terms and conditions of the advisory relationship. Clients must also establish a securities brokerage account with LPL Financial in its capacity as a registered broker/dealer. Clearing, custody and other brokerage services are provided by LPL Financial for accounts established through Program.

At the outset of the Program, The Advocate Group will work with each Program client to obtain information needed to determine the client’s financial situation and investment objectives. The firm’s core belief is that it is a comprehensive financial plan that should drive investment and asset allocation decisions, not exclusively the client’s personal risk tolerance. Most of the firm’s clients hold a personal risk tolerance which is substantially higher than the required risk necessary to achieve sufficient returns for a successful investment and life outcome. Detailed discussion of this span between required risk and tolerated risk leads to a very interesting and clarifying discovery of each client’s desired risk. It is this desired risk, not tolerance for risk, which becomes foundational to each client’s individually designed asset allocation.

Helping a client establish sufficient liquid reserves to remain steady in the face of market volatility is another important element of the firm’s investment philosophy. Most human investment behavior is

oriented toward buying at the exuberant market highs and selling at the distressing market lows. Proper liquidity and reserves can create an environment which allows a client to overcome this behavioral tendency to do the exact opposite of what is necessary to be a more successful investor.

Program accounts are managed on the basis of each client's financial situation and investment objectives and clients authorize The Advocate Group to purchase and sell securities on a discretionary basis in their Program accounts. The Advocate Group may limit its discretion with respect to the client account and the securities eligible to be purchased for the client account. At least annually, The Advocate Group contacts each individual client to determine whether their financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of Program accounts.

### **Fees for Participation in the Program**

For managing accounts through Program, The Advocate Group charges an annual fee tied directly to the value of account assets. The annual investment advisory fee charged shall vary between 0.50% and 1.50% of the assets held in the account and is determined based upon the market value of the account. At The Advocate Group's discretion, The Advocate Group may reduce its standard fee. Each client's specific fee arrangement is negotiable and will be determined based on factors such as, but not limited to, the total assets under management, the number of accounts managed, complexity of the client's financial situation, and the client's overall relationship with The Advocate Group.

The annual fee shall be divided and payable quarterly in advance through a direct debit in the client's Program account. Clients provide LPL Financial with written authorization to debit advisory fees from their accounts and pay such fees to The Advocate Group. Fees are based on the account's asset value as of the last business day of the prior calendar quarter. Fees for accounts opened at any time other than the beginning of a quarter will be prorated based on the number of days remaining in the initial quarter.

As referenced above, a portion of the fees paid to The Advocate Group is used to cover the securities brokerage commissions, transactional costs and investment fees attributable to the management of its clients' portfolios. Services provided through the Program may cost clients more or less than purchasing these services separately. The number of transactions, as well as the commissions charged for each transaction, determines the relative cost of the Program versus paying for execution on a per transaction basis and paying a separate fee for advisory services. The Program fees may also be higher or lower than fees charged by other sponsors of comparable investment advisory programs.

### **Other Charges**

Clients may incur certain charges imposed by third parties other than The Advocate Group in connection with investments made through the account, including but not limited to, 12b-1 fees and surrender charges, and IRA and qualified retirement plan fees. Management fees charged by The Advocate Group (which include transaction and execution fees charged by LPL Financial for Program accounts) are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus. However, The Advocate Group does not get paid mutual fund sales loads, 12b-1 fees and surrender charges in fee-based advisory. Although clients may be charged 12b-1 fees in certain load mutual funds, LPL Financial will retain all fees and The Advocate Group or its advisor representatives do not share or receive such fees. Clients are not charged front end sales loads because the front end sales loads for mutual funds are waived in fee-based advisory programs.

### **Account Additions and Withdrawals**

Clients may make additions to and withdrawals from their Program account at any time, subject to The Advocate Group's right to terminate an account. Additions may be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's Program account. Clients may withdraw account assets on notice to The Advocate Group, subject to the usual and customary securities settlement practices. However, The Advocate Group designs its Program accounts as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. The Advocate Group may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees assessed at the mutual fund level.

#### **Compensation for Recommending the Program**

The Advocate Group has no arrangements in place whereby persons recommending the Program are entitled to receive additional compensation as a result of clients' participation.

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

The Advocate Group does not charge or accept performance-based fees. Regulators have defined performance based fees as charging fees based on a share of capital gains on or capital appreciation of the assets held within a client's account.

### **Item 5 – Account Requirements and Types of Clients**

To become a Program participant, a program agreement (the *Investment Management Agreement*) between the client and The Advocate Group must be executed with The Advocate Group setting forth the terms and conditions, including the amount of investment advisory fees, under which The Advocate Group shall manage the client's assets. In addition, the client will be required to establish a brokerage account through the LPL Financial Strategic Wealth Management platform.

The minimum account size allowed for a Program account is \$25,000. At The Advocate Group's discretion, The Advocate Group may waive the minimum account size requirement for participation in the Program.

The Advocate Group generally provides investment advice to the following types of clients.

- Individuals
- High-Net Worth Individuals
- Pension and profit sharing plans
- Trusts, estates, or charitable organizations
- Corporations or business entities

Services may be terminated at any time, by either party. If services are terminated within five (5) business days of executing the agreement, services will be terminated without penalty and a full refund of all fees paid in advance will be provided. If services are terminated after the initial five day period, The Advocate Group shall provide the client with a pro-rated refund of fees paid in advance. The refund will be based on the number of days service was actually provided during the final billing period. Termination shall be effective from the time the other party receives written notification or such other time as may be mutually agreed upon, subject to the settlement of transactions in progress and the final refund of advisory fees. There will be no penalty charge upon termination.

## Item 6 – Portfolio Manager Selection and Evaluation

The Advocate Group does not utilize Third-Party Portfolio Managers in Program Accounts.

### **Investment Management**

The Advocate Group provides continuous investment advice and makes investments for each Program client based on their individual needs. Pursuant to each client's specific investment objectives, securities held in Program accounts may generally include no-load and load-waived mutual funds, fixed income securities such as bonds, unit investment trusts (UITs), closed-end and Exchange Traded Funds (ETFs), Exchange Traded Notes (ETNs), stocks, certificates of deposit, hedge funds, managed futures, structured products, futures contracts and options and/or fee-based variable annuities.

The Advocate Group's Investment Philosophy is also impacted by the unique circumstances of its client base. Many clients of the firm hold a concentrated wealth position in the securities of the company for which they work. Proper management of this concentrated wealth position, within the context of the entire investment portfolio and financial plan, are key elements of the firm's overall value proposition.

Successful investment management at The Advocate Group is not about achievement of a certain performance above a predefined benchmark. Our idea of a proper investment management experience is about achieving sufficient return at each client's desired level of risk to achieve successful fulfillment of their individual financial objectives.

Clients must understand that past performance is not indicative of future results. Therefore, current and prospective clients should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. Clients and prospective clients should be prepared to bear investment loss including loss of the original principal invested.

### **Investment Risks**

Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. Investing in securities involves the risk of loss and clients should be prepared to bear potential losses. There are certain additional risks associated when investing in securities through our investment management program that are outlined as follows:

**Market Risk.** Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.

**Equity Risk.** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

**Company Risk.** When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company

will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

**Fixed Income Risk.** When investing in bonds, there is the risk that issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.

**Options Risk.** Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

**Exchange Traded Fund ("ETF") and Mutual Fund Risk.** When our firm invests in a an ETF or mutual fund, it will bear additional expenses based on its pro rata share of the ETFs or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. Clients will also incur brokerage costs when purchasing ETFs.

**Exchange Traded Note ("ETN") Risk.** The purpose of ETNs is to create a type of security that combines both the aspects of bonds and ETFs. Similar to ETFs, ETNs are traded on a major exchange, such as the NYSE during normal trading hours. However, investors can also hold the debt security until maturity. At that time the issuer will give the investor a cash amount that would be equal to principal amount (subject to the day's index factor). One factor that affects the ETN's value is the credit rating of the issuer. The value of the ETN may drop despite no change in the underlying index, instead due to a downgrade in the issuer's credit rating.

**Management Risk.** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

**Futures Risk.** Futures trading is considered a sophisticated investment approach in the financial markets. While futures can be useful in reducing unwanted risk and futures markets are usually very active so that liquidating contracts is easy, it is possible to lose your original investment. Futures trading is an investment consideration for very experienced, professional investors only.

### **Voting Client Securities**

A vote by proxy is a vote that is mailed in or cast in some other way while the person voting is physically absent. This is most frequently used by shareholders in a company who are unable to attend the annual shareholder's meeting but still want their vote to count.

The Advocate Group does **not** perform proxy-voting services on a client's behalf. Clients are instructed to read through the information provided with the proxy-voting documents and to make a determination based on the information provided. Upon request from the client, The Advocate Group may provide limited clarifications of the issues presented in the proxy voting materials based on The Advocate Group's understanding of issues presented in the proxy-voting materials. However, the client will have the ultimate responsibility for making all proxy-voting decisions.

## **Item 7 – Client Information Provided to Portfolio Managers**

Because only Investment Advisor Representatives of The Advocate Group serve as portfolio managers, they are responsible for gathering all information provided by clients. Investment Advisor Representatives will interview and work with clients to gather all information needed relative to their investment objectives and needs in order to provide management services through Program. Clients need to contact their Investment Advisor Representatives whenever there are changes to their financial situation that will impact or materially influence the way The Advocate Group manages their Program accounts.

## **Item 8 – Client Contact with Portfolio Managers**

Because only Investment Advisor Representatives of The Advocate Group serve as portfolio managers, there are no restrictions placed on clients' ability to contact and consult with their portfolio managers. It is the policy of The Advocate Group to provide an "open channel" of communication and clients are encouraged to contact us whenever they have questions about the management of their Program account.

## **Item 9 – Additional Information**

### **Disciplinary Information**

This item is not applicable to The Advocate Group's brochure because there are no legal or disciplinary events that are material to a client's or prospective client's evaluation of The Advocate Group's business or the integrity of The Advocate Group's management.

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

The Advocate Group is an independent investment advisory firm and only provides investment advisory services. The firm is not engaged in any other business activities and offers no other services than those described in this brochure. The Advocate Group is affiliated with TAG Financial Services, Inc. TAG Financial Services, Inc. is a licensed insurance agency used to market the insurance services provided by our staff that are also licensed as insurance agents.

Insurance products are offered on occasion, at client request only, to assist in meeting personal, estate and business needs to minimize clients' exposure to identified risks. Although clients are under no obligation to purchase insurance products recommended by our staff in their separate capacities as insurance agents, clients may purchase such products when needs arise. For clients of the firm who purchase products causing commissions to be generated, these are directed to the agency and are not for the benefit of an individual agent. For those staff members who are insurance licensed, this activity varies throughout the year.

### **Brokerage Clearing and Custody**

The LPL Strategic Wealth Management platform is used for all Program accounts and therefore LPL will be used as the introducing and clearing broker/dealer and account custodian. Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian for a wrap fee program.

### **Code of Ethics, Participation in Client Transactions and Personal Trading**

Section 204A-1 of the *Investment Advisers Act of 1940* requires all investment advisers to establish, maintain and enforce a Code of Ethics. The Advocate Group has established a Code of Ethics that

applies to all of its associated persons. An investment adviser is considered a fiduciary according to the *Investment Advisers Act of 1940*. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. The Advocate Group has a fiduciary duty to all clients. This fiduciary duty is considered the core underlying principle for the advisor's Code of Ethics which also covers its Insider Trading and Personal Securities Transactions Policies and Procedures.

The Advocate Group requires all of its supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and when changes occur, all supervised persons will sign an acknowledgement that they have read, understand and agree to comply with the advisor's Code of Ethics. The Advocate Group has the responsibility to make sure that the interests of all clients are placed ahead of The Advocate Group's or its supervised person's own investment interest. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to any services being conducted. The Advocate Group and its supervised persons must conduct business in an honest, ethical and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients.

The Advocate Group or its associated persons may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of The Advocate Group that all persons associated in any manner with The Advocate Group must place the interests of The Advocate Group's clients ahead of their own when implementing personal investments. The Advocate Group and its associated persons shall not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of his/her employment unless the information is also available to the investing public upon reasonable inquiry.

This disclosure is provided to give all clients a summary of advisor's Code of Ethics. However, if a client or a potential client wishes to review advisor's Code of Ethics in its entirety, a copy will be provided promptly upon request to Shannon O'Leary at 952.693.2630 or [soleary@TheAdvocateGroup.com](mailto:soleary@TheAdvocateGroup.com).

### **Review of Accounts**

The Advocate Group's representatives will contact the client at least annually for the purpose of reviewing their account and to determine if there have been changes in their financial situation or investment objectives. The calendar is the main triggering factor, although more frequent reviews may also be triggered by changes in the client's circumstances, client request, or changes within the market. The underlying investments held in client accounts are reviewed on a more frequent basis. Program account portfolios are reviewed on an ongoing basis to reinvest cash, manage deposits and withdrawals, and to rebalance asset allocations. Triggering factors for changes to underlying portfolios include the relative valuation changes between asset classes, deviation from management style by fund, or fund closures.

### **Statements and Reports**

Clients receive account statements directly from the client's qualified custodian at least quarterly. In addition, The Advocate Group may provide performance or position reports of their accounts managed by The Advocate Group.

Clients are strongly urged to compare all reports prepared by The Advocate Group against the account statements received from the client's broker/dealer or qualified custodian.

### **Soft Dollar Benefits**

The Advocate Group does not directly or indirectly compensate anybody for client referrals. Although we do not receive client referrals from custodians or broker/dealers, we have entered into a specific, soft-dollar written agreement with various broker/dealers and custodians that we recommend to current and prospective clients. The Advocate Group is independently owned and operated and not affiliated with these providers. These platforms provide institutional service levels that are not available through the retail marketplace because of the level of client accounts maintained by The Advocate Group with the provider. Services available to The Advocate Group include brokerage, custody, research and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment. We believe that this benefits all of our clients.

There are also benefits made available through these types of arrangements that benefit The Advocate Group but may not benefit our clients' directly. Some of these other products and services assist The Advocate Group in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmation 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 advisory fees from its clients' accounts; and assist with back-office functions; recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of The Advocate Group accounts. Other services are intended to help The Advocate Group manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance and marketing.

While as a fiduciary, The Advocate Group endeavors to act in its clients' best interests, and while the recommendation that clients maintain their assets in accounts with a particular custodian or broker/dealer may be based in part on the benefit to The Advocate Group of the availability of some of the foregoing products and services; nevertheless, these products and services by facilitating the Firm's workload are also effectively benefiting our clients as well.

### **Aggregate Trades**

In some cases transactions implemented by The Advocate Group are effected on an individual basis. However, sometimes The Advocate Group will purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by The Advocate Group when The Advocate Group believes such action may prove advantageous to clients. When The Advocate Group aggregates client orders, the allocation of securities among client accounts will be done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently. Under this procedure, transactions will be allocated among The Advocate Group's clients in a fair and equitable manner for each client account on any given day. It should be noted, The Advocate Group does not receive any additional compensation or remuneration as a result of aggregation.

### **Cross Trades**

The Advocate Group will not engage in cross transactions that involve a broker-dealer and where The Advocate Group has discretion over only one of the client accounts involved in the transaction and it, or an affiliated broker-dealer, executes the transaction for both sides in a brokerage capacity. The Advocate

Group may engage in cross trades when it is deemed to be in the best interest of the client. A cross trade occurs when a transaction is implemented between two different clients, both of which are managed by The Advocate Group. These types of cross transactions will only be used when it can be determined that doing so would achieve “best execution” and benefit the clients involved by saving commissions, market impact costs, and other transaction charges. Prior to implementing cross trades, full disclosure will be made in The Advocate Group’s Form ADV and detail of cross trade activity would be fully disclosed and accepted in writing by all participating clients. Cross trades will not be performed if an account is subject to ERISA since it is virtually prohibited. In addition, if a client account managed by The Advocate Group is deemed to hold “plan assets” cross trades will be prohibited regardless of whether the other side to the transaction is subject to ERISA.

#### **Trade Error Policy**

The Advocate Group has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of The Advocate Group to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client will be made whole and any loss resulting from the trade error will be absorbed by The Advocate Group if the error was caused by The Advocate Group. If the error is caused by the broker/dealer, the broker/dealer will be responsible for covering all trade error costs. The Advocate Group and its associated persons will never retain any portion of any gains made as a result of trade error corrections or profit in any way from trade errors.

If the gain does not remain in the account, the broker/dealer will maintain gains that may result from correcting a trade error and in some instances may use such gains to offset overall losses the broker/dealer incurs from trading errors.

#### **Financial Information**

This item is not applicable to The Advocate Group’s brochure. The Advocate Group does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, The Advocate Group is not required to include a balance sheet for its most recent fiscal year. The Advocate Group is not subject to a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients. Finally, The Advocate Group has not been the subject of a bankruptcy petition at any time.

## **Privacy Policy and Terms of Use**

Regulation S-P, Privacy of Consumer Financial Information, requires financial institutions, including The Advocate Group, to provide notice to current clients and prospective clients about their policies and practices concerning the collection and use of customer, non-public information. This privacy policy notice is given to all prospective clients of The Advocate Group upon entering into a contract with The Advocate Group and annually thereafter.

### **Privacy Disclosure Statement**

A primary goal of The Advocate Group is to protect the privacy of its clients. The Advocate Group does not sell the personal information of clients to anyone. To conduct regular business, The Advocate Group may collect nonpublic personal information from clients. This information is provided by clients to The Advocate Group on applications and other forms provided by clients to The Advocate Group, our affiliates, or others.

The Advocate Group may enter into contracts with outside third parties so that The Advocate Group can assist its clients in servicing their accounts. In order to do this, The Advocate Group will disclose personal information to companies that help The Advocate Group process transactions for client accounts. However, The Advocate Group does not share or disclose any nonpublic customer information except as allowed or required by law. In addition to sharing information in order to provide financial services to clients, The Advocate Group may be required to disclose personal information to cooperate with regulators or law enforcement authorities, to resolve customer disputes, or for risk control.

### **Information Safeguarding**

The Advocate Group has implemented strict policies and procedures aimed at protecting the sensitive nature of client information. The Advocate Group restricts access to client information to only those members of The Advocate Group that must provide products and services to clients in order to service client accounts and to other pre-approved third party service providers such as accountants and attorneys. The Advocate Group has implemented physical, electronic, and procedural safeguards aimed at meeting The Advocate Group's duty to protect nonpublic client information. These safeguards apply to current and past clients and prospects.

Personally identifiable information about our clients will be maintained during term of the advisory relationship and for a time thereafter, as required by federal and state security laws. After this time of required record retention, all such information may be destroyed without notice to the client.

We make every effort to keep our records up to date. If you identify an inaccuracy in your personal information, or you need to make a change, please contact The Advocate Group promptly.

If you have any questions concerning The Advocate Group's customer privacy policy or concerns about your personal information please feel free to contact The Advocate Group at the number located on the cover page.

### **Terms of Use**

Like many other websites, The Advocate Group's website may use cookies and similar technologies. When you use our website, our web server sends a cookie to your computer. A cookie is an electronically transmitted file that holds small pieces of information and may facilitate your use of certain features of our

website by eliminating the need to re-enter information. Cookies and similar technologies may collect information such as your IP address, browser and device characteristics, referring URLs and traffic patterns on our website. Cookies do not act maliciously on computer systems. Users can disable cookies by adjusting browser preferences on their personal computer at any time; however in some cases, this may limit the ability to take advantage of all features on our website.

The Advocate Group and our third party providers may also use web analytical tools to help gather personal information about usage of our website and client portals including viewing of content made available through client portals. These tools allow us and our third party vendors to manage and improve our website and services and will only be used to assist and third party vendors on our behalf, in providing services.

The Advocate Group website may provide a contact form and may provide other types of forms that allow you to provide us with information and request information and/or register for events. Users do not have to provide The Advocate Group with any personal information through our website. The Advocate Group may share or give access to this personal information to our affiliates or other companies that we hire to perform these services on our behalf. If The Advocate Group provides or gives access to personal information to outside companies, we require them to use the personal information for the limited purposes for which we shared the information. If you believe The Advocate Group or any company associated with us has misused any of your information please contact our Chief Compliance Officer immediately and report such misuse.

The Advocate Group may send you newsletters or information about services on a periodic basis. To opt-out of any specific electronic communication, click on the opt-out button associated with the specific communication or follow the instructions to unsubscribe from future e-mails.

If you are a client or prospective client (or a respective duly authorized representative), you may have been granted access to certain nonpublic portions of the website or service offerings otherwise made accessible (for example, by an electronic invitation providing a link to a log-in page) through a uniquely assigned log-in from The Advocate Group.

The use of Client Portal services are completely optional and provided for your convenience. You can choose whether or not you would like to use these services. Our Client Portals are subscription-based services that we procure from third party providers for use by our clients.

Note that if you have been granted access to an eMoney account for online wealth management planning, such service is provided by eMoney Advisor, LLC ("eMoney") and your use of the eMoney portal shall be subject to the eMoney Terms of Service Agreement as made available to you on such portal and eMoney's privacy policy.