



MidAtlantic Capital Management, Inc.

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FORM ADV PART 2 BROCHURE

This brochure provides information about the qualifications and business practices of MidAtlantic Capital Management, Inc. If you have any questions about the contents of this brochure, please contact us at (804) 272-9200 or info@midatlantic-capital.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 with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about MidAtlantic Capital Management, Inc. also is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 116524.

Table of Contents

<i>Cover Page.....</i>	<i>i</i>
<i>Table of Contents</i>	<i>ii</i>
<i>Item 4 - Advisory Business.....</i>	<i>1</i>
✓ <i>Objectives, guidelines and investment strategy.....</i>	<i>2</i>
✓ <i>Appropriate asset classes</i>	<i>2</i>
✓ <i>Investment selection, monitoring, and replacement guidelines.....</i>	<i>2</i>
✓ <i>Plan control procedures</i>	<i>2</i>
<i>Item 5 - Fees and Compensation.....</i>	<i>4</i>
<i>Item 6 - Performance-Based Fees and Side-By-Side Management.....</i>	<i>7</i>
<i>Item 7 - Types of Clients</i>	<i>8</i>
<i>Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss</i>	<i>9</i>
<i>Item 9 - Disciplinary Information</i>	<i>12</i>
<i>Item 10 - Other Financial Industry Activities and Affiliations.....</i>	<i>13</i>
<i>Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</i>	<i>14</i>
<i>Item 12 - Brokerage Practices</i>	<i>15</i>
<i>Item 13 - Review of Accounts</i>	<i>17</i>
<i>Item 14 - Client Referrals and Other Compensation.....</i>	<i>18</i>
<i>Item 15 - Custody</i>	<i>19</i>
<i>Item 16 - Investment Discretion</i>	<i>20</i>
<i>Item 17 - Voting Client Securities</i>	<i>21</i>
<i>Item 18 - Financial Information</i>	<i>22</i>

Item 4: Advisory Business

MidAtlantic Capital Management, Inc. ("MidAtlantic"), based in Richmond, VA, is a privately held investment advisory firm registered with the Securities and Exchange Commission. John F. DePew and Robert B. Wrenn, Jr. are the firm's principal shareholders.

MidAtlantic offers the following advisory services to our clients:

DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions, goals and objectives based on a client's particular circumstances are established. We then develop a client's personal Investment Policy Statement and design and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We manage these advisory accounts on a discretionary or non-discretionary basis. Account supervision is guided by the client's stated objectives and tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

Our investment recommendations are not limited to any specific product or service and will generally include advice regarding the following securities:

- Mutual fund shares
- Exchange-listed securities
- Securities traded over-the-counter
- Foreign issuers
- Corporate debt securities
- Certificates of deposit
- Municipal securities
- United States government securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

RETIREMENT PLAN SERVICES

Fiduciaries, as defined by ERISA (The Employee Retirement Income Security Act of 1974), are required to exercise the skill of a "prudent expert" unless they hire a professional "with knowledge of such matters" to assist them (§404(a)). For many retirement plan sponsors, this is a challenge, as they are not investment professionals and they face potential personal liability.

MidAtlantic helps plan sponsors manage this risk by providing a systematic, prudent process that can significantly reduce potential fiduciary liability. *Most importantly, as a registered investment advisory firm, MidAtlantic acknowledges its co-fiduciary status with respect to the plan in writing.*

A written Investment Policy Statement (IPS) is a key component in assisting fiduciaries in discharging their responsibilities in compliance with ERISA. MidAtlantic assists in the development of a formal, written IPS that serves as a critical safeguard against litigation. The IPS includes the following items required by ERISA:

- Objectives, guidelines and investment strategy
- Appropriate asset classes
- Investment selection, monitoring, and replacement guidelines
- Plan control procedures

Plan participants possess varying degrees of investment expertise, yet the decisions they make regarding asset allocation can significantly affect their investment performance. To respond to this challenge, MidAtlantic offers customized model portfolios that range from conservative to aggressive. These portfolios are allocated based on how the various funds in the portfolio complement each other.

Our model portfolios help plan participants:

- Reduce risk with proper asset allocation - without decreasing their earning potential
- Utilize portfolios that vary from conservative to aggressive
- Match their specific time horizon, goals and risk tolerance to an asset allocation that is appropriate to their individual situation

Under ERISA, the monitoring of invested assets is crucial to the fulfillment of a plan sponsor's fiduciary responsibility. Documentation of the monitoring process is just as important. MidAtlantic performs the following functions on behalf of plan sponsors:

- ✓ Continuously monitoring all investment options to ensure that each option is still appropriate for the plan
- ✓ Recommending investment option changes, if necessary, as outlined in the monitoring criteria established in the Investment Policy Statement
- ✓ Documenting the monitoring process which provides a critical safeguard in the reduction of fiduciary liability

MidAtlantic communicates with our clients openly, clearly, and consistently. We meet with each plan's investment committee on a regular basis, providing information that allows plan sponsors to evaluate both our performance and the performance of the investment options within the plan. In addition to our regular meetings, we also provide the following to ensure that our clients have the necessary tools to successfully manage their plan:

- ✓ Monthly alerts (as needed)
- ✓ Quarterly Fiduciary Monitoring Reports and Recommendations
- ✓ Performance Relative to Investment Category
- ✓ Model Portfolio Performance
- ✓ Plan Demographic Analysis

The overall success of a retirement plan depends upon effective employee communications and continuing education.

MidAtlantic provides customized enrollment materials, meetings, and educational programs. Our process is designed to educate employees on the specific parameters and options available in their retirement plan.

As of 3/1/2017, MidAtlantic Capital Management, Inc. had \$203,331,451 in assets under management (\$64,876,647 discretionary and \$138,454,804 non-discretionary).

Item 5: Fees and Compensation

DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

The annualized fee for Discretionary Portfolio Management Services are charged as a percentage of assets under management, according to the following schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Amounts up to \$250,000	1.35%
Next \$250,001 to \$500,000	1.00%
Next \$500,001 to \$1,000,000	0.92%
Next \$1,000,001 to \$2,000,000	0.80%
Amounts above \$2,000,000	0.72%

Please note that in certain circumstances the fee schedule shown above may be negotiable. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Investment advisory fees are charged quarterly in advance. If management begins after the start of a quarter, Program fees will be prorated accordingly. When authorized by the client, fees will be debited from the account in accordance with the terms set forth in the Investment Advisory Services Agreement.

Termination of the Discretionary Portfolio Management Services Relationship

A client agreement may be canceled at any time, by either party, for any reason upon receipt of written notice. As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

RETIREMENT PLAN SERVICES

The annualized fee for investment advisory services provided to retirement plan sponsors are charged as a percentage of assets under management, according to the following schedule:

<u>Plan Assets Under Management</u>	<u>Annual Fee</u>
Amounts up to \$20,000,000	0.30%
Next 20,000,001 to \$30,000,000	0.15%
Amounts over \$30,000,000	0.10%

Please Note: The minimum annual fee is \$7,500.

Please note that in certain circumstances the fee schedule shown above may be negotiable.

Investment advisory fees for Retirement Plan Services may be deducted by the independent custodian, as directed by the Plan Sponsor, from plan assets on a quarterly basis based on the market value of the account on the last trading day of the quarter. MidAtlantic will send an invoice to the Plan Sponsor that shows the amount of the fee, the value of assets on which the fee was based, and the specific manner in which the fee was calculated. Plan Sponsors also have the option of having advisory fees billed quarterly in advance based on the market value of the account on the last trading day of the preceding quarter.

Fees are calculated on a quarterly basis by taking the ending portfolio balance for the previous quarter and multiplying this balance times $\frac{1}{4}$ of the annual fee (taking breakpoints into consideration). These fees are billed in advance and may be either deducted quarterly in advance by an independent custodian or billed directly in advance to the client and paid by check.

Clients should note that similar advisory services may (or may not) be available from other registered investment advisers for similar or lower fees.

Termination of the Advisory Relationship

A client agreement may be canceled by either party, for any reason, upon receipt of advance written notice (notice period is established in the client agreement). As disclosed above, certain fees are paid in advance of services provided. Upon termination of any account, any prepaid, unearned fees will be promptly refunded. In calculating a client's reimbursement of fees, we will pro rate the reimbursement according to the number of days remaining in the billing period.

Mutual Fund Fees

All fees paid to MidAtlantic for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate

to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Separately Managed Account Fees

Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement.

Wrap Fee Program Fees

In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

Additional Fees and Expenses

In addition to our advisory fees, clients may also be responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

ERISA Accounts

MidAtlantic Capital Management, Inc. is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, MidAtlantic Capital Management, Inc. may only charge fees for investment advice about products for which our firm and/or our related persons **do not** receive any commissions or 12b-1 fees.

Limited Prepayment of Fees

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 more than six months in advance of services rendered.

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

MidAtlantic Capital Management, Inc. does not charge performance-based fees.

Item 7: Types of Clients

MidAtlantic Capital Management, Inc. provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Families
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above

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

METHODS OF ANALYSIS

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Mutual Fund and ETF Analysis

We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Third-Party Money Manager Analysis

We examine the experience, expertise, investment philosophies, and past performance of independent third-party investment managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We monitor the manager's underlying holdings, strategies, concentrations and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, we survey the manager's compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a third-party manager's portfolio, there is also a risk that a manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as we do not control the manager's daily business and compliance operations, we may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Fundamental Analysis

We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis

We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Quantitative Analysis

We use mathematical models in an attempt to obtain more accurate measurements of a company's quantifiable data, such as the value of a share price or earnings per share, and predict changes to that data.

A risk in using quantitative analysis is that the models used may be based on assumptions that prove to be incorrect.

Qualitative Analysis

We subjectively evaluate non-quantifiable factors such as quality of management, labor relations, and strength of research and development factors not readily subject to measurement, and predict changes to share price based on that data.

A risk in using qualitative analysis is that our subjective judgment may prove incorrect.

Risks for all Forms of Analysis

Our investment analysis methods rely on the assumption that the securities we utilize within client portfolios, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term Purchases

We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when we believe the securities to be currently undervalued, and/or we want exposure to a particular asset class over time, regardless of the short-term projection for this asset class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term Purchases

When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We utilize this strategy when the investment time horizon of the client is relatively short. Due to this reduced time horizon, the asset allocation of these portfolios is generally more conservative than those of clients who have a longer investment time horizon. In addition, this strategy may result in less favorable tax treatment of short-term capital gains.

RISK OF LOSS

Clients should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.

Item 9: Disciplinary Information

Registered investment advisors are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of MidAtlantic Capital Management, Inc. or the integrity of MidAtlantic's management.

There have never been any disciplinary actions or events pertaining to MidAtlantic Capital Management, Inc., its management, or staff members.

Item 10: Other Financial Industry Activities and Affiliations

Our firm and our related persons are not engaged in other financial industry activities and have no other industry affiliations.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

MidAtlantic Capital Management, Inc. and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

MidAtlantic's Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to info@midatlantic-capital.com, or by calling us at 804-272-9200.

MidAtlantic and individuals associated with our firm are prohibited from engaging in principal transactions and agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

Item 12: Brokerage Practices

As a matter of policy and practice, MidAtlantic Capital Management, Inc. does not generally block client trades and, therefore, we implement client transactions separately for each account. Consequently, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients may not receive volume discounts available to advisers who block client trades.

MidAtlantic Capital Management, Inc. has an arrangement with National Financial Services LLC and Fidelity Brokerage Services LLC (collectively, and together with all affiliates, "Fidelity") through which Fidelity provides our firm with "institutional platform services." The institutional platform services include, among others, brokerage, custody, and other related services. Fidelity's institutional platform services that assist us in managing and administering clients' accounts include software and other technology that (i) provide access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of fees from its clients' accounts; and (v) assist with back-office functions, recordkeeping and client reporting.

Fidelity also offers other services intended to help our firm manage and further develop its advisory practice. Such services include, but are not limited to, performance reporting, financial planning, contact management systems, third party research, publications, access to educational conferences, roundtables and webinars, practice management resources, access to consultants and other third party service providers who provide a wide array of business related services and technology with whom MidAtlantic Capital Management, Inc. may contract directly.

MidAtlantic Capital Management, Inc. is independently operated and owned and is not affiliated with Fidelity.

Fidelity generally does not charge its advisor clients separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through Fidelity or that settle into Fidelity accounts (i.e., transactions fees are charged for certain no-load mutual funds, commissions are charged for individual equity and debt securities transactions). Fidelity provides access to many no-load mutual funds without transaction charges and other no-load funds at nominal transaction charges.

As a result of receiving such services for no additional cost, we may have an incentive to continue to use or expand the use of Fidelity's services. We examined this potential conflict of interest when we chose to enter into the relationship with Fidelity and have determined that the relationship is in the best interests of MidAtlantic's clients and satisfies our client obligations, including our duty to seek best execution. A client may potentially pay a commission that is either lower or higher than another qualified broker-dealer might charge to effect the same transaction where we determine in good faith that the commission is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, while we will seek competitive rates to the benefit of all clients, we may not necessarily obtain the lowest possible commission rates for specific client account transactions. Although the investment research products and services that may be obtained by us will

generally be used to service all of our clients, a brokerage commission paid to Fidelity by a specific client may be used to pay for research that is not used in managing that specific client's account.

Fidelity is providing MidAtlantic with certain brokerage and research products and services that qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

Item 13: Review of Accounts

DISCRETIONARY PORTFOLIO MANAGEMENT SERVICES

Client accounts are reviewed and monitored on an ongoing basis but no less frequently than quarterly. The triggering factors in account activity include circumstances where MidAtlantic becomes aware of a change in a client's investment objective, a change in market conditions, re-balancing of assets to maintain proper asset allocation, tax-loss harvesting, deposits or withdrawals, or any other relevant event or circumstance.

These accounts are reviewed by John F. DePew, President and Robert B. Wrenn, Jr., Vice President.

Reports

MidAtlantic prepares quarterly investment reports in addition to the monthly statements clients receive from the qualified independent custodian (firm that holds client assets). These reports contain:

- Portfolio performance results over the last quarter, year-to-date, 12 months and appropriate time periods
- Performance results of appropriate benchmarks for the last quarter, year-to-date, 12 months and appropriate time periods
- Quarterly beginning and ending market values for each Portfolio component

RETIREMENT PLAN SERVICES

MidAtlantic communicates with our clients openly, clearly, and consistently. We meet with each plan's investment committee on a regular basis, providing information that allows plan sponsors to evaluate both our performance and the performance of the investment options within the plan. In addition to our regular meetings, we also provide the following to ensure that our clients have the necessary tools to successfully manage their plan:

- Monthly alerts (as needed)
- Quarterly Fiduciary Monitoring Reports and Recommendations
- Performance Relative to Investment Category
- Model Portfolio Performance
- Plan Demographic Analysis

Item 14: Client Referrals and Other Compensation

It is MidAtlantic Capital Management, Inc.'s policy not to engage solicitors or to pay related or non-related persons for referring potential clients to our firm.

It is MidAtlantic's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Item 15: Custody

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

As part of this billing process, the client's custodian is advised of the amount of the fee to be deducted from that client's account. On at least a quarterly basis, the custodian is required to send to the client a statement showing all transactions within the account during the reporting period.

Because the custodian does not calculate the amount of the fee to be deducted, it is important for clients to carefully review their custodial statements to verify the accuracy of the calculation, among other things. Clients should contact us directly if they believe that there may be an error in their statement.

In addition to the periodic statements that clients receive directly from their custodians, we also send Investment Management Reports directly to our clients on a quarterly basis. We urge our clients to carefully compare the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

Our firm does not have actual or constructive custody of client accounts.

Item 16: Investment Discretion

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission. Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

Additionally, all transactions are within the guidelines established in the client's Investment Policy Statement.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Item 17: Voting Client Securities

MidAtlantic Capital Management, Inc. may be directed to vote proxies related to securities held by our clients for which we serve as the investment adviser. The authority to vote the proxies of certain clients is established in the investment advisory contract or comparable documents.

We will vote proxies in the best interests of our clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting MidAtlantic Capital Management, Inc. by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Clients can instruct us to vote proxies according to particular criteria (for example, to always vote with management, or to vote for or against a proposal to allow a so-called "poison pill" defense against a possible takeover). These requests must be made in writing. Clients can also instruct us on how to cast their vote in a particular proxy contest by contacting us at (804) 272-9200 or info@midatlantic-capital.com.

Item 18: Financial Information

MidAtlantic Capital Management, Inc. does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance and does not foresee any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Additionally, MidAtlantic has never been the subject of a bankruptcy proceeding.