

Part 2A of Form ADV: *Firm Brochure*

Capital Asset Advisory Services, LLC

15744 Peacock Road

Haslett, MI 48840

Telephone: 517-339-7662

Email: kene@wealth-advisor.biz

Web Address: www.mycgfinancial.com

March 30th, 2018

This brochure provides information about the qualifications and business practices of Capital Asset Advisory Services, LLC. If you have any questions about the contents of this brochure, please contact us at 517-339-7662 or kene@wealth-advisor.biz. 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 Capital Asset Advisory Services, LLC 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 110929. Registration with the Securities and Exchange Commission does not imply a certain level of skill or training.

Item 2. Material Changes

We have made no material changes to this Form ADV Part 2A Brochure since it was filed with the SEC in March 2017.

We will ensure that the Client receives a summary of any material changes to this and subsequent Brochures within 120 days of the close of our business fiscal year end, which is December 31st. We will provide other ongoing disclosure information about material changes as necessary. We will also provide the Client with a new Brochure, as necessary, based on changes or new information. Currently, our Brochure may be requested at any time, without charge, by contacting our Chief Compliance Officer (“CCO”) 517-339-7662.

Item 3. Table of Contents

Table of Contents

Item 2. Material Changes	2
Item 3. Table of Contents	3
Item 4. Advisory Business	4
Item 5. Fees and Compensation	6
Item 6. Performance-Based Fees and Side-By-Side Management.....	9
Item 7. Types of Clients	10
Item 8. Methods of Analysis, Investment Strategies, and Risk of Loss	10
Item 9. Disciplinary Information.....	12
Item 10. Other Financial Industry Activities and Affiliations	13
Item 11. Code of Ethics, Participation, or Interest in Client Transactions and Personal Trading ...	15
Item 12. Brokerage Practices	17
Item 14. Client Referrals and Other Compensation	21
Item 15. Custody	22
Item 16. Investment Discretion	22
Item 17. Voting Client Securities	23
Item 18. Financial Information.....	23
Supplement: <i>Multi Service Agreement</i>	24

Item 4. Advisory Business

Capital Asset Advisory Services, LLC (“CAAS”) is an SEC-registered investment adviser with its principal place of business located in Michigan. Capital Asset Advisory Services, LLC began conducting business in 2004.

Listed below are the firm's principal shareholders (i.e., those individuals and/or entities controlling 25% or more of this company).

- Anthony Joseph Mazzali, Managing Member

As of December 31, 2017, Capital Asset Advisory Services has a total of 11,031 accounts with total assets under management of \$1,615,886,865. Of these, 6,554 accounts have \$1,171,289,203 in assets under management which are managed on a discretionary basis. Discretionary authority means Clients have given us the authority to determine the following without prior consent:

- Securities to be bought or sold for the Client account
- Amount of securities to be bought or sold for the Client account

The remaining 4,477 accounts have \$444,597,662 in non-discretionary assets under management.

Capital Asset Advisory Services, LLC offers the following advisory services to our Clients:

We offer a variety of investment advisory financial services to our Clients. Our services include General Consulting, Financial Planning Services, Portfolio Management, Retirement Plan, and 401(k) services, all which are discussed below in further detail. The products discussed throughout this brochure are available on a non-wrap basis.

Our Portfolio Management and Retirement Plan Services are also available on a wrap basis, which means that the account is charged a single, bundled, or “wrap” fee for investment advice, brokerage services, administrative expenses, and other fees and expenses. The difference between the two programs resides in the services provided and the costs a Client will incur.

Under our wrap program, the Client receives supervisory investment management services delivered through both our pre-developed proprietary investment program models and non-program models, custody of their assets at an unaffiliated qualified custodian, and brokerage for a single advisory fee. For non-wrap portfolio management program services, the management of the Client’s portfolio is delivered through use of a bespoke non-program model developed in consultation with the Client immediately prior to or at the time the Client’s account is opened and would incur the same fees plus brokerage, custody, and other related fees, some of which are negotiable. As for the reporting and administrative services provided under both wrap and non-wrap programs, the Client also pays a separate administrative fee. The management of all Client portfolios, whether discharged in a wrap or non-wrap format, are performed through the use of our

discretionary and non-discretionary customized proprietary program and bespoke non-program models.

For more information about our wrap fee offerings, please refer to our ADV 2A Appendix 1: Wrap Fee Brochure.

For all investment advisory and related services described below, we tailor our products in accordance with the Client specific needs in a documented financial plan or investment policy statement. This process involves taking multiple factors into consideration, including, but not limited to, investment horizon, risk tolerance, income requirements, as well as any reasonable guidelines and restrictions a Client may impose.

All Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with CAAS. Insurance products are also offered to our Client through affiliated insurance brokers, as more fully described below.

Financial Planning Services

We offer a variety of services to assist the Client with the management of the Client's financial resources, on a discretionary and non-discretionary basis, based upon an analysis of the Client's individual needs. The process typically begins with an initial complementary consultation. If during or after the initial consultation the Client decides to engage us for financial planning services, we meet with the Client to collect pertinent information about their personal and financial circumstances and objectives. Once we have analyzed all the information we have gathered, we create a written financial plan, tailored to the Client's financial goals and objectives.

We also offer advice on a single aspect of the management of the Client's financial resources. For these Clients, we offer one-time and ongoing general consulting services that address only those specific areas of interest or concern.

We consider any or all of the following types of investments in developing a financial plan:

Exchange-Listed Securities, Securities Traded Over-The-Counter, Warrants, Corporate Debt Securities, Commercial Paper, Certificates of Deposit, Municipal Securities, Variable Life Insurance, Variable Annuities, Mutual Fund Shares, US Government Securities, Options Contracts on Securities, Real Estate Investment Trusts ("REITs"), and Other Investments previously held at the start of the Client's financial planning process

We can provide advice on any other type of investment that we deem appropriate based on the Client's stated goals and objectives.

Portfolio Management

If the Client decides to engage CAAS for Portfolio Management, we offer customized non-program portfolio construction in which one of our Investment Adviser Representatives ("IARs")

individually manages the Client's account to a customized bespoke model determined in accordance with the Client's tailored investment objectives. This type of supervisory investment management service is known as our Advisory as Portfolio Manager ("APM") models. The Client's account can include individual listed exchange traded securities, as well as mutual funds and ETFs and listed options. This investment strategy is described in Item 8 of this Brochure. These model portfolios are typically available when the volume of trading in the account is higher than standard CAAS Accounts.

This type of advisory service is offered on a discretionary or a non-discretionary basis.

Retirement Plan Services

We provide investment advisory services to companies sponsoring 401(k) plans. We work with plan trustees and the third-party administrators ("TPAs") selected by the plan to recommend and periodically review investment selections to be made available in the plan.

Trustees of 401(k) plans select one or more portfolios we manage as investment options for their participants. 403(b) trustees may provide an option under which plan participants may engage us for personalized investment advice concerning the participants' sub-accounts. In both situations, the participant may select from among several investment models based on various asset classes. We will then instruct the TPA to create a portfolio using the funds available in the plan that correlate to the investment classes in the model portfolio. We will communicate changes in the model portfolios to the various TPAs, who will make the appropriate changes in the participant's holdings. The Client is charged an advisor fee; however, the Client is also responsible for ticket charges charged from the custodian or administrator.

401(k) Set Up

We provide one-time assistance to companies in setting up a plan, including initial investment selection, and conducting initial education sessions for plan participants.

Item 5. Fees and Compensation

Financial Planning Services

We provide financial planning services on either an hourly or fixed fee basis. Our hourly fee for financial planning services is up to \$275.00. Our fixed fee financial planning is negotiable but will generally range from \$400 to \$5,000 depending upon the nature and complexity of the Client's circumstances.

During the setup process, the Client signs a fee agreement with the IAR spelling out the fees, and agrees to pay either via invoice or at time of agreement, with a check paid to Capital Asset Advisory Services.

Fixed financial planning fees are based on the Client's net worth. The schedule of fees is the

Net Worth:

Up to \$200,000

\$200,001 to \$500,000

\$500,001 to \$1,000,000

\$1,000,001 to \$1,500,000

\$1,500,001 to \$2,000,000

\$2,000,001 to \$3,000,000

Above \$3,000,000

Fee:

Up to \$1,000

Up to \$1,500

Up to \$2,000

Up to \$2,500

Up to \$3,000

Up to \$4,000

Negotiable

following:

The full fee is due and payable at the time the Client agreement is executed. In such circumstances, the financial plan is presented to the Client within 90 days of the contract date.

Alternatively, the financial planning fees are payable upon completion of the contracted services. We offer alternative payment options that include an initial retainer fee equal to one-half of the estimated fee in advance of any services rendered. The balance would then be due upon completion of the contracted services.

Either party may terminate the financial planning agreement within five days of the date of acceptance without penalty. After the five-day period, either party may terminate the financial planning agreement by providing written notice to the other party. Prepaid fees will be returned pro-rated based on percent of work already performed on the plan. Earned, unpaid fees are due and payable upon termination via check written to CAAS. Payments that are received via invoice with check made out to CAAS.

When IARs receive commissions from implementing recommended transactions, the Client can negotiate an offsetting reduction of a portion of our fees. CAAS does not receive commissions, or any other compensation related fees from the sale of any products sold to Clients.

Consulting Services

We offer two payment options for consulting services. One option includes an hourly rate of up to \$275.00 per hour. This hourly rate is negotiable and is payable as earned. These fees are payable by invoice with a check made out to CAAS. Alternatively, the Client can be charged an annual advisory fee of up to 1.00% of advised assets. These fees are charged in advance in quarterly increments of up to 0.25% of advised assets, either paid from existing brokerage account, or by check written to CAAS.

Advisor as Portfolio Manager Accounts

We offer Advisor as Portfolio Manager Accounts ("APM") where our Investment Advisor Representative could either be paid a separate negotiable fee of up to 1.00% of assets under

management to build a Client a bespoke non-program model to trade either away from or through TD Ameritrade, where Client accounts are primarily held, as described below in Item 12 Brokerage Practices. Alternatively, the Client can be charged an Advisory Fee and an Admin Fee from CAAS of up to 2.25% of assets under management, in addition to brokerage, commission, and/or ticket charges from the custodian or unaffiliated broker, respectively.

This Agreement may be terminated by either party at any time without penalty upon receipt of written notice. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated under this Agreement prior to such termination, including the provisions regarding arbitration, which shall survive any expiration or termination of this Agreement. Upon termination, the Client shall have the exclusive responsibility to monitor the securities in the Account, and Adviser shall have no further obligation to act or advise with respect to those assets. If the Client terminates this Agreement within five (5) business days of its signing, the Client shall receive a full refund of all fees and expenses. If this Agreement is terminated after five (5) business days of its signing, any prepaid fees shall be prorated and the unused portion shall be returned to the Client.

Retirement Plan Services

As part of our retirement plan services, we charge an annual advisory fee of up to 1.25% of advised assets for recommendations and reviews of investment selections. In addition to this fee, we also charge an administrative fee of up to .15% annually. Optional services are available for a negotiated additional charge. Fees are charged quarterly, in advance, and debited from an existing account at TD Ameritrade, or payable via invoice with a check written to CAAS.

For model portfolio services, we charge annual fees up to 0.50% of advised assets. Fees are charged quarterly, in advance.

CAAS, the plan, or the participant may terminate the advisory agreement within five days of the date of acceptance without penalty to the Client. After the five-day period, either party, upon written notice to the other, may terminate the agreement. After termination, Clients receive a prorated refund of any prepaid advisory fees. All prorated refunds are based on actual services provided and termination costs incurred up to and at the time of the termination of the Firm's services.

401(k) Set Up

We charge a one-time flat fee for 401(k) set up services which ranges from \$600-\$1,000, based on the scope of the Client's request, payable in advance, and earned within six months of the initiation of the service. Fees are payable via invoice, through a check written to CAAS.

CAAS or the plan trustee (or, in the case of services to 403(b) plans, the participant) may terminate 401(k) services and 401(k) set-up services within five days of the date of acceptance without penalty to the Client. After the five-day period, either party may terminate the agreement upon written notice to the other. Clients receive a prorated refund of any prepaid advisory fees. Such prorated refunds are based upon actual services and termination costs incurred up to and at the

time of the termination of the Firm's services. Any earned, unpaid fees will be due and payable upon termination.

In addition to the above, some of our employees and investment advisor representatives receive commission for the sale of insurance products offered through affiliated and unaffiliated insurance and FINRA member brokerage firms. This practice presents a potential conflict of interest because it creates an incentive to recommend investment products based on the compensation received, rather than on a Client's needs. To address the potential conflict of interest, CAAS has developed procedures and protocols reasonably designed to ensure that CAAS, and individuals representing CAAS in the management of our Clients' accounts, act in our Client's best interest by adhering to the investment objectives, guidelines, restrictions, and investment models selected by our Clients. This is accomplished through the pro-active monitoring of model holdings, ensuring any commissions paid are usual and customary, and by informing Clients that there is no obligation to purchase insurance products through entities affiliated with CAAS. (See Item 12 Brokerage Practices)

GENERAL INFORMATION ON FEES:

Mutual Fund/ETF Fees and Separate Managed Account Managers: All fees paid to Capital Asset Advisory Services, LLC for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds, separate managed account managers, and/or ETFs to their shareholders.

These fees and expenses are described in each fund's prospectus, a copy of which is provided to the Client either at the time of purchase or shortly thereafter by the custodian. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a Client may pay a front-end load, back-end load or deferred sales charge. Any 12b-1 fee, if assessed, is not paid to or otherwise shared with CAAS. CAAS aims to select mutual funds that do not have 12b-1 fees when appropriate.

Additional Fees and Expenses: In addition to our advisory fees, Clients are typically also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges. Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

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

Capital Asset Advisory Services, LLC does not charge performance-based fees or engage in side-by-side management.

Item 7. Types of Clients

Capital Asset Advisory Services, LLC provides advisory services to the following types of Clients:

Individuals (other than high net worth individuals), High Net Worth Individuals, Pension and Profit Sharing Plans (other than plan participants), Charitable Organizations, and Corporation or other businesses not listed above.

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

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:

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.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the Client's investment goals and risk tolerance.

A risk of asset allocation is that the Client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and

cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the Client's goals.

Mutual Fund and/or 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.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, 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 current projection for this 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 do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

A short-term purchase strategy poses risks should the anticipated price swing not materialize; we are then left with the option of having a long-term investment in a security that was designed to be a short-term purchase, or potentially taking a loss.

In addition, this strategy involves more frequent trading than does a longer-term strategy, and will result in increased brokerage and other transaction-related costs, as well as less favorable tax treatment of short-term capital gains.

Option writing. We use options as an investment strategy when appropriate. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We may buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We may buy a put if we have determined that the price of the stock will fall before the option expires.

We use options to "hedge" or limit the potential upside and downside risk of a security in a Client's account.

Our policy allows us to use "covered calls", in which we sell an option on a security in the Client's account to earn the fee from the sale of the option that gives the buyer the right to call or acquire the security from the Client's account at the strike or pre-determined option contract price. This occurs in holdings that we believe have reached their expected market value and would subject to selling but instead decide to earn the premium income in lieu of selling and forgoing any additional upside in the holding.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss. However, in most instances the option expires and become worthless to the purchaser who sustains a loss in the form of the purchase price of the option plus brokerage commission.

Risk of Loss. Securities investments are not FDIC guaranteed and the Client may lose money on their investments.

Item 9. Disciplinary Information

Our firm and our management personnel have no reportable disciplinary events to disclose.

Item 10. Other Financial Industry Activities and Affiliations

Certain of our Investment Adviser Representatives (“IARs”) are registered representatives of Geneos Wealth Management, Inc. (“Geneos”) and Triad Advisors LLC (“Triad”), both of which are unaffiliated securities broker-dealers (members of FINRA, SIPC) and are investment advisers registered with the Securities and Exchange Commission.

In addition, our IARs are also licensed insurance agents. Our IARs receive compensation for their activities as registered representatives or insurance agents.

As registered representatives of Geneos and Triad, our IARs recommend securities or insurance products offered by the broker-dealer, and receive customary commissions if products are purchased through them. Thus, a conflict of interest exists between the interests of the IARs and those of our advisory Clients, as the representative would be incentivized to recommend products that carry a commission. Our financial planning, 401(k), and non-discretionary Clients, who approve all recommendations and receive conflict disclosures in advance, are informed of the costs and have no obligation to purchase products recommended by the IARs. No Client is obligated to place securities transactions or purchase insurance through Geneos and Triad.

Geneos receives a fee that is paid by the firm upon receipt of an invoice, in accordance with an arm’s length agreement, to defray the costs for the functions Geneos are required to carry out by FINRA. This fee is not passed to our Clients in the form of increase execution or brokerage charges or imputed as part of our advisory fee.

Our owners are also the owners and officers of Capital Asset Insurance Services, Inc., (“CAIS”) and Wealth Advisory Group Insurance Agency (WAGIA), licensed insurance agency in the State of Michigan. Through CAIS and WAGIA, licensed agents, some of which are CAAS IARs, offer insurance products from a variety of product sponsors. CAAS IARs, who are also licensed insurance agents, effect transactions in insurance products and earn the standard and customary commissions for these activities. This occurs primarily because we have Clients who also are Clients of CAIS. Clients may use the insurance agency and agent of their choosing and are under no obligation to use the services of CAIS or of any of its insurance agents for insurance services. While the receipt of this type of compensation by third-party IARs associated with CAAS, supervised persons of CAAS, and entities that are under common control with CAAS technically represents a conflict of interest, this conflict is mitigated by informing Clients of all costs, allowing the Client to obtain comparable insurance products from unaffiliated insurance companies and streamlining the process by selecting the right product since CAAS in most instances is most familiar with, if not directly involved in creating, the Client’s investment or retirement plan.

Our advisory fees are separate and distinct from any commissions earned by CAIS or WAGIA or its insurance agents for the sale and servicing of insurance products. Our firm and/or its related persons own, wholly or in part, several accounting firms. These firms provide accounting and tax preparation services to advisory Clients for separate and typical compensation. No advisory Client

is obligated to use these accounting firms, and no accounting Client is obligated to use our advisory services. The Client should be aware that the receipt of additional compensation by our firm and our management persons or IARs creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. We endeavor at all times to put the interest of our Clients first as part of our fiduciary duty as a registered investment adviser.

We take the following steps to address these conflicts:

- disclose to Clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory Clients in addition to our firm's advisory fees;
- disclose to Clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- collect, maintain, and document accurate, complete, and relevant Client background information, including the Client's financial goals, objectives, and risk tolerance;
- our firm's management conducts regular reviews of each Client account to verify that all recommendations made to a Client are suitable relative to Client risk tolerance;
- require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to Clients.

Certain of CAAS' owners are also the owners of Wealth Advisory Group ("WAG"). WAG provides administrative and compliance services to CAAS and its affiliates that include the following:

- Providing the Chief Compliance Officer for CAAS, the investment adviser;
- Implementing and Administering Compliance program for CAAS;
- Compliance assistance to all CAAS investment adviser representatives;
- Portfolio management;
- Trading Wealthmark Tactical in addition to a small amount of other models;
- Paying salary for Portfolio Manager for Optimark;
- Identifying and screening individuals for employment as investment adviser representatives;
- Payroll, accounting, bill-paying, and other back-office services;

- Providing staff to assist in the above functions.

WAG does not provide investment advice.

This arrangement presents a conflict of interest since CAAS's affiliated entity WAG receives fees for the services they provide, which in turn compensates the shared owners for being the Client's investment adviser and performing the administrative and compliance functions. This gives CAAS an incentive to use WAG for these services since they share in the revenue generated.

We take the following steps to address this conflict:

- disclose to Clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory Clients in addition to revenue from WAG's services;
- disclose to Clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;

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

Our officers, employees and IARs buy or sell – for their personal account(s) – investment products identical to those recommended to Clients. These investment products are widely held and publicly traded. It is our policy that no person employed by our firm shall give preference to his or her own interest to that of the advisory Client.

It is further noted that our investment advisory business is in and shall continue to be in total compliance with The Insider Trading and Securities Fraud Enforcement Act of 1988. Specifically, we have adopted a firm wide policy statement outlining insider-trading compliance by the Firm, its associated persons, and other employees.

We have established the following restrictions in order to ensure our fiduciary responsibilities:

1. Our employees, including associated persons, shall not buy or sell securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her affiliation with our firm or Geneos/Triad Advisors, unless the

information is also available to the investing public on reasonable inquiry. No person shall prefer his or her own interest to that of the advisory Clients.^{1 2}

2. We maintain a restricted list of issuers when the firm, including its officers, employees, and associated person, are in possession of material non-public information of a publicly listed security.
3. All personal and Client transactions are reviewed monthly to identify potential conflicts of interests and resolve any conflict, should one arise, in the best interest of our Clients.
4. All Clients are fully informed that certain individuals may receive separate compensation when effecting transactions during the implementation process.
5. We emphasize the unrestricted right of the Clients to decline to implement any advice rendered, except in situations where a Client has granted discretionary authority.
6. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
7. Any individual not in observance of the above may be subject to termination.

In accordance with Section 204-A of the Investment Advisers Act of 1940, the Adviser also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by the Adviser or any person associated with the Adviser.

CAAS provides a copy of its Code of Ethics (“COE”) to any Client or prospective Client upon request to the Chief Compliance Officer at CAAS’ principal address. The firm’s COE require all access persons, including immediate family members of the same household, to initially, upon employment, and annually thereafter to provide personal trading account holdings. We also require access persons to certify quarterly to any transactions during the period and whether they have opened or closed any personal trading brokerage accounts. In addition, certain types of transactions must be pre-cleared by the firm’s Compliance Department.

¹ This investment policy has been established recognizing that some securities being considered for purchase and sale on behalf of our Clients’ trade in sufficiently broad markets to permit transactions by Clients to be completed without an appreciable impact on the markets of the securities. Under certain circumstances, exceptions may be made to the policies stated above. Records of these trades, including the reasons for the exceptions, will be maintained with our records in the manner set forth above.

² Open-end mutual funds and/or the investment sub-accounts, which may comprise a variable insurance product, are purchased or redeemed at a fixed net asset value price per share specific to the date of purchase or redemption. As such, transactions in mutual funds and/or variable insurance products by IARs are not likely to have an impact on the prices of the fund shares in which Clients invest, and are therefore not prohibited by our investment policies and procedures.

Item 12. Brokerage Practices

TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC (“TD Ameritrade”), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. CAAS receives some benefits from TD Ameritrade through its participation in the TD Ameritrade Institutional Program. However, Client accounts that are not wrap accounts and maintained at TD incur transaction related fees in the form of ticket charges for the execution of orders through TD Ameritrade. TD Ameritrade has provided assurance that these ticket charges, including any portion thereof, are not subject to nor are they used to generate soft dollar benefits designed to pay for any benefit CAAS may receive from TD Ameritrade. Therefore, there is no soft dollar component to the ticket charges that would require disclosure of the conflicts of interest related to soft dollars that would further necessitate the required disclosure that these services fall within the ambit of the safe harbor under section 28(e) of the Securities Exchange Act of 1934 for the receipt of such benefits.

Since CAAS recommends TD Ameritrade to Clients as custodian and where Clients’ transactions can be most efficiently executed, CAAS can be deemed to be requesting that Clients instruct CAAS to execute transactions through TD Ameritrade as a directed broker. Not all investment advisers require Clients to direct brokerage. In most instances, directing brokerage will limit CAAS’ ability to negotiate commission price and commission rates that directly impacts its duty to seek best execution for its Client, and may cost Clients more money. While this generally may be accurate, CAAS Clients invest primarily in mutual funds and ETFs and the limitations associated with directing brokerage is not as prevalent where a Client primarily pays a ticket charge and not a standard commission rate per share.

We reasonably believe that TD Ameritrade’s blend of execution services, commission, and transaction costs as well as professionalism is consistent with our best execution and fiduciary duty to the Client. We anticipate that most trades will be executed at TD Ameritrade; however, in unusual circumstances, we reserve the right to engage the services of other custodians and brokers, for example, to execute transactions in thinly-traded ETFs. In this situation with thinly-traded ETFs, CAAS will absorb the trading costs associated with the use of another custodian.

TD Ameritrade provides certain trading and operational services to the Adviser at no cost, the substantial benefits of which are passed on to Clients. These services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like the Adviser in conducting business and in serving the best interests of their Clients but that benefit CAAS in the form of administrative support, software and systems. CAAS receives some benefits from TD Ameritrade through its participation in the Program.

We have negotiated a standard pricing model with TD Ameritrade that is favorable for our Clients based on the fact that we are not a high-volume or tactical trader. However, for accounts using a strategy that requires more active trading in APM accounts, TD Ameritrade may assess more transaction charges which we do not have the ability to negotiate. As disclosed above, CAAS

participates in TD Ameritrade's institutional customer program and CAAS recommends TD Ameritrade to Clients for custody and brokerage services. There is no direct link between CAAS's participation in the program and the investment advice it gives to its Clients. Benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; consulting services; access to a trading desk serving CAAS participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to CAAS by third party vendors.

The benefits received by CAAS or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to Clients, CAAS endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by CAAS or its related persons in and of itself creates a potential conflict of interest and may indirectly influence CAAS's choice of TD Ameritrade for custody and brokerage services. This potential conflict is addressed by annually reviewing this arrangement by comparing it to competitor platforms.

CAAS and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services. Specifically, the Additional Services include financial support used to assist in paying for Envestnet. CAAS utilizes Envestnet for several functions, including trading, proposal generation, reporting functionality, and Client advisory fee billing and collection. This arrangement is not dependent upon CAAS generating a minimum number of transactions or commissions for TD Ameritrade and is used to benefit all CAAS Clients.

CAAS' receipt of Additional Services raises potential conflicts of interest where CAAS may have an incentive to recommend to its Clients that the assets under management by CAAS be held in custody with TD Ameritrade and to place transactions for Client accounts with TD Ameritrade. CAAS's receipt of Additional Services does not diminish its duty to act in the best interests of its Clients, including seeking best execution of trades for Client accounts by receiving the overall best qualitative and quantitative results, under the circumstances then prevailing at the time of execution, taking into consideration such factors as costs in relation to the overall value of services provided.

CAAS considers a number of factors in selecting brokers and custodians at which to locate (or recommend location of) its Client accounts, including, but not limited to, execution capability, experience and financial stability, reputation and the quality of services provided. CAAS performs an analysis of services provided in light of the overall costs that is compared to competitors in the industry.

All transactions not executed through TD, an entity through which we have a separate arrangement related to providing wrap program services to our wrap Clients that include no brokerage or

transaction fees, would incur a full CAAS negotiated commission and related execution cost the same as all other Clients of the broker that we select to place our Clients' orders with would pay.

CAAS does not receive any third-party, proprietary research, or other brokerage related services when IARs are trading away from TD. All transactions for this type of Client account would not be transacted through TD.

We may, at our sole discretion, allow Clients to direct us to use a broker-dealer of their own choosing, unless we deem it to be inconsistent with our fiduciary duty and/or our Client's best interest. When Clients direct us to use another broker-dealer, we make it clear to Clients that we will likely not be able to aggregate orders, we will not have the authority to negotiate commission rates among various brokers, and best execution may not be achieved.

Trade Aggregation

Orders are placed with the execution broker through a module that identifies purchase and sell orders for securities that are no longer within the defined parameters of the model. These orders are aggregated for all Client model driven transactions for the same security in the same direction when there are multiple Client accounts managed in this manner. All participating accounts receive the average share price for the transaction and bears a proportionate share of all transaction costs, based on each account's participation in the transaction, subject to our discretion primarily for individually traded accounts depending on factual or market conditions and the duty to achieve best execution for Client accounts. We may include proprietary or personal accounts in block trades. These proprietary or personal accounts managed by the firm are treated as Client accounts and are given neither preferential nor inferior treatment versus other Client accounts.

We do not allocate trades on the basis of account performance or the amount or structure of management fees.

However, the following factors will impact the manner in which an allocation to a Client's accounts deviates either from the model and individually traded accounts that do not participate in an eligible recommendation:

1. an account's existing positions in securities;
2. the cash availability of one or more particular accounts;
3. a partial fill of the block trade;
4. tax reasons.

We receive no additional compensation or remuneration of any kind due to the aggregation of Client trades.

In APM Accounts, trades executed on Envestnet flow directly from the site to the custodian without Envestnet's intervention. This means that there is a straight flow through of trade instructions placed in Envestnet sent directly to the custodian. Advisors also have the ability to

place trades directly with TD Ameritrade using TD Ameritrade's Veo trading tool. Trade information flows back and forth from TD Ameritrade and Envestnet via a data feed.

Financial Planning, Ongoing Consulting, and Retirement Planning Services

At all times, financial planning, ongoing consulting, and Retirement Planning Services Clients are free to execute their plan recommendations through any broker-dealer without the assistance of our IARs.

Some CAAS IARs are also registered as representatives of Geneos, a broker/dealer and FINRA member firm. We may recommend that a Client in need of brokerage and custodial services utilize Geneos, however the Client is not required to choose Geneos as the broker-dealer. Geneos is required to supervise the securities trading activities of its registered representatives.

IARs who are registered representatives of Geneos are subject to FINRA Conduct Rule 3280 that may restrict such registered individuals from conducting securities transactions away from Geneos unless Geneos provides the registered representative with written authorization. Therefore, Clients are advised that IARs may be limited to conducting securities transactions through Geneos and their custodian, National Financial.

Additional Disclosures Regarding TD Ameritrade

CAAS participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC ("TD Ameritrade"), an unaffiliated SEC-registered broker-dealer and FINRA member. TD Ameritrade provides certain trading and operational services to the Adviser at no cost, the substantial benefits of which are passed on to Clients. "These services include, among others, brokerage, custodial, administrative support, record keeping and related services that are intended to support intermediaries like the Adviser in conducting business and in serving the best interests of their Clients but that benefit CAAS in the form of administrative support, software and systems. CAAS receives some benefits from TD Ameritrade through its participation in the Program.

We have negotiated a standard pricing model with TD Ameritrade that is favorable for our Clients based on the fact that we are not a high-volume or tactical trader. However, for accounts using a strategy that requires more active trading in APM accounts, TD Ameritrade may assess more transaction charges which we do not have the ability to negotiate. TD Ameritrade does not supervise CAAS and has no responsibility for CAAS's management of Client portfolios or CAAS's other advice or services.

Item 13. Review of Accounts

Advisor as Portfolio Manager Accounts: We continuously review the securities held in APM Accounts. The Client account is reviewed at least quarterly by our compliance team and is reviewed by the Investment Adviser Representative responsible for the Client's account at least annually. More frequent reviews may be triggered by material economic, political, or market events, or by changes in the Client's financial situation.

Retirement Planning Services

Allocations in portfolios of participants are reviewed continuously by certain of the investment adviser representatives responsible for these accounts. Plan recommendations are reviewed as contracted for by the Client at the inception of the advisory relationship.

Reports To Clients

The account custodian is responsible for providing monthly or quarterly account statements which reflect the position (and current pricing), as well as transactions in each account, including fees paid from an account. CAAS also makes available to Clients via their Client portal in Envestnet a Quarterly Performance Report.

Item 14. Client Referrals and Other Compensation

Client Referrals

Our firm from time to time pays referral fees to independent persons or firms ("Solicitors") for introducing Clients to us. Whenever we pay a referral fee, we require the Solicitor to provide the prospective Client with a copy of this document (our *Firm Brochure*) and a separate disclosure statement that includes the following information:

- the Solicitor's name and relationship with our firm;
- the fact that the Solicitor is being paid a referral fee;
- the amount of the fee; and
- whether the fee paid to us by the Client will be increased above our normal fees in order to compensate the Solicitor.

As a matter of firm practice, the advisory fees paid to us by Clients referred by solicitors are not increased as a result of any referral.

Other Compensation

As more fully described above, we receive benefits through our recommendation of TD Ameritrade for custody and brokerage services but this does not apply when providing advisory

services to Clients, as described in this non-wrap brochure. For additional disclosures regarding benefits received from TD Ameritrade, please see the firm's Form ADV Part 2A, Appendix 1 "Wrap Brochure", which appears side by side with this brochure on the SEC's website at www.adviserinfo.sec.gov.

Item 15. Custody

We do not have physical custody of any accounts or assets. However, we are deemed to have custody of Client assets because we have the ability to deduct our quarterly fees directly from the Clients account held at the unaffiliated qualified custodian.

As part of this billing process, we have engaged an unaffiliated third-party to serve as our billing agent both in the calculation and collection of the advisory fee we charge our Clients.

We have confirmed with our Clients' custodian that Clients receive a quarterly account statement of their account holdings and account activity for the period. We also send our Clients a report of holdings that contains a legend advising our Clients to carefully review their custodial statements to verify the accuracy of our fee calculation, among other things, and that Clients should contact us directly or the custodian for any discrepancies either in our fee calculation or holdings.

We have obtained assurances from the banking institutions who physically hold our Client's assets, as qualified custodians, that they have adopted procedures in accordance with an SEC no-action letter dated February 21, 2017. The SEC letter provides relief to advisers who have entered into standing letters of authorization with their Clients or who are deemed to have custody of Client assets in accordance with the custody agreements their Clients have entered into directly with the custodian when acting on Client instructions to wire funds directly from the Clients' accounts to a designated recipient. All of our Client accounts are held at custodians who are not affiliated with CAAS by way of direct or indirect ownership. Our current facilities, including all branch locations as fully disclosed in this brochure, are not located at or shared with any of our Client custodians, which is one of the seven relief requirements described in the SEC letter referred to above.

Item 16. Investment Discretion

We have discretionary authority to manage Client accounts in accordance with the investment advisory agreement we enter into directly with our Clients on either a discretionary or non-discretionary basis that is limited in scope to the specific model selected by the Clients. Our Clients accounts are managed through a customized bespoke model that is developed in consultation with one of our investment professionals that is tailored to the Clients specific requirements, including any investment restrictions or guidelines the Client may impose. All models are designed to meet the investment objectives, guidelines, and restriction of the Client based on the Client approved investment policy statement or financial plan.

All firm developed models are maintained by our investment professionals who have the authority to recommend changes to these models that are subject to approval by way of committee. When model changes occur we have the authority to sell and buy securities that comprise the model that will bring Client accounts within the model weighting. For these customized models developed in consultation with investment professionals responsible for managing the Client's account, buy and sell security transactions generally occur the same way as described above but at times certain select securities may need to be manually placed with brokers selected to execute the Client transactions. We have discretionary authority to determine the broker or dealer to be used and negotiate the commission rates paid, unless we are placing orders with the Client's custodian.

Item 17. Voting Client Securities

As a matter of firm policy, we do not vote proxies on behalf of Clients. Therefore, although our firm may provide investment advisory services relative to Client investment assets, Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings, or other type events pertaining to the Client's investment assets. Clients are responsible for instructing each custodian to forward copies of all proxies and shareholder communications relating to the Client's investment assets.

We may provide Clients with consulting assistance regarding proxy issues if they contact us with questions at our principal place of business. However, voting assistance is not a separate firm product offering. A copy of our proxy voting policy and procedures is available by contacting CAAS Compliance at accountservices@wealth-advisor.biz.

Item 18. Financial Information

Under no circumstances do we require or solicit payment of fees in excess of \$1,200 per Client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that has discretionary authority, we are also required to disclose any financial condition that is reasonable likely to impair our ability to meet our contractual obligations. Capital Asset Advisory Services, LLC has no additional financial circumstances to report.

Capital Asset Advisory Services, LLC has not been the subject of a bankruptcy petition at any time during the past ten years.

Supplement: *Multi Service Agreement*

CAPITAL ASSET ADVISORY SERVICES, LLC

ADVISORY FEE AGREEMENT

This agreement is entered into among the Account Owner ("Client") and Capital Asset Advisory Services, LLC, a registered investment adviser ("Adviser"). Client, being duly authorized, hereby agrees to employ and retain Adviser to act as investment manager for the Account in accordance with the following terms and conditions (the "Agreement").

Advisor As Portfolio Manager Account (Non-Discretionary)

Adviser will direct, with Client's prior written or oral approval, the investment and reinvestment of the assets in Client's account (the "Account") in securities and cash or cash equivalents. Client understands that neither Adviser nor its representatives will exercise any discretionary authority with respect to Client's Account or transactions. Client agrees to notify Adviser promptly of any significant change in the information provided by the Client or any significant change in Client's financial circumstances or investment objectives that might affect the manner in which Client's account should be invested. Client also agrees to provide Adviser with such additional information as Adviser may request from time to time to assist it in advising Client. Adviser's authority under this Agreement will remain in effect until changed or terminated by Client in writing.

Selecting a Broker.

The Client hereby directs that transactions for the Account should be executed through TD Ameritrade, Inc. or such other directed broker as Client may designate in writing (the "Directed Broker"). Any and all broker-dealers listed above are collectively referred to herein as the "Directed Broker". In selecting the Directed Broker, the Client has the sole responsibility for negotiating commission rates and other transaction costs with the Directed Broker. Although Client has selected a Directed Broker, Client agrees that Adviser will not be required to effect any transaction through the Directed Broker if Adviser reasonably believes that to do so may result in a breach of its duties as a fiduciary. Client understands that by instructing Adviser to execute all transactions on behalf of the Account through the Directed Broker, Client may not necessarily obtain commission rates and execution as favorable as those that would be obtained if Adviser were able to place transactions with other broker-dealers. Client may also forego benefits that Adviser may be able to obtain for its other clients through, for example, negotiating volume discounts or block trades.

ERISA Accounts.

Fees. The Account shall be charged a quarterly investment advisory fee of the net value of the assets in the Account on the last business day of the prior quarter (the "Fee"). Adviser will also charge a separate administrative fee to cover costs associated with servicing the client's account (including costs for technology and miscellaneous costs associated with providing administrative services apart from investment advice, such as processing client requests for asset transfers, disbursements, and other such administrative matters.)

Other Fees and Charges. Client shall be solely responsible for all commissions and other transaction charges, and any charge relating to the custody of securities in the Account. The Fee covers only the investment management services provided by Adviser and does not include brokerage commissions, mark-ups and mark-downs, dealer spreads or other costs associated with the purchase and sale of securities, custodian fees, interest, taxes, or other Account expenses. Client shall be solely responsible for these additional expenses. Client understands that, in addition to the Fee paid to Adviser pursuant to this Agreement, each mutual fund in which Client may invest pursuant to this Agreement also bears its own investment advisory fees and other expenses which are disclosed in each fund's

prospectus. Client further understands that the mutual funds recommended or purchased through this Agreement may be available directly from the funds pursuant to the terms of their prospectuses and without paying the Fee to Adviser.

Advisor As Portfolio Manager Account (Discretionary)

Services. The Non-Program Account is offered on a discretionary advisory basis with Adviser (the "Account"). This means that the Client authorizes Adviser to buy, sell or otherwise trade securities or other investments in the Account without discussing the transactions with Client in advance. Client also authorizes Adviser to take all necessary action to effect securities transactions for the Account.

Adviser shall make investment decisions for the Account according to the investment objectives, risk tolerance, investment time horizon, and any investment policies, guidelines or reasonable restrictions described by Client in the Account Application and Investment Policy Statement ("Questionnaire"). Client acknowledges that Adviser has relied and will continue to rely on the information that Client has provided in the Account Application and Questionnaire. Client agrees to notify Adviser promptly, in writing, of any change to the information provided by Client in the Account Application and Questionnaire, and promptly complete and return a new Account Application and Questionnaire containing the new information, including any change to any written investment objectives, risk tolerance, investment time horizon, and any investment policies, guidelines or reasonable restrictions. Client shall provide Adviser with additional information as Adviser may request from time to time to assist it in managing the Account. Adviser shall have no liability for Client's failure to provide Adviser with accurate or complete information in the Account Application and Questionnaire.

Execution Services and Settlement:

Any and all broker-dealers listed above are collectively referred to herein as the "Directed Broker." In selecting the Directed Broker, the Client has the sole responsibility for negotiating commission rates and other transaction costs with the Directed Broker. Client understands that by instructing Adviser to execute all transactions on behalf of the Account through the Directed Broker, Client may not necessarily obtain commission rates and execution as favorable as those that would be obtained if Adviser were able to place transactions with other broker-dealers. Client may also forego benefits that Adviser may be able to obtain for its other clients through, for example, negotiating volume discounts or block trades.

Fees. The Account shall be charged a quarterly investment advisory fee of the net value of the assets in the Account on the last business day of the prior quarter (the "Fee"). Adviser will also charge a separate administrative fee to cover costs associated with servicing the client's account (including costs for technology and miscellaneous costs associated with providing administrative services apart from investment advice, such as processing client requests for asset transfers, disbursements, and other such administrative matters.)

Other Fees and Charges. Client shall be solely responsible for all commissions and other transaction charges, and any charge relating to the custody of securities in the Account. The Fee covers only the investment management services provided by Adviser and does not include brokerage commissions, mark-ups and mark-downs, dealer spreads or other costs associated with the purchase and sale of securities, custodian fees, interest, taxes, or other Account expenses. Client shall be solely responsible for these additional expenses. Client understands that, in addition to the Fee paid to Adviser pursuant to this Agreement, each mutual fund in which Client may invest pursuant to this Agreement also bears its own investment advisory fees and other expenses which are disclosed in each fund's prospectus. Client further understands that the mutual funds recommended or purchased through this Agreement may be available directly from the funds pursuant to the terms of their prospectuses and without paying the Fee to Adviser.

THE FOLLOWING SECTIONS OF THE AGREEMENT APPLY TO ALL SERVICES DESCRIBED ABOVE.

Payment. The applicable Fee shall be payable quarterly, in advance, upon deposit of any funds or securities in the Account. Generally, the first payment is due upon acceptance of this Agreement. Non-consulting fees shall be based upon the opening market value of the assets in the Account on that date. The first payment shall be prorated to cover the period from the date the Account is opened through the end of the next full calendar quarter. Thereafter, the Fee

shall be calculated based on the Account value on the last business day of the preceding calendar quarter and shall be due the following business day. The fee may be modified or changed by Adviser upon advance written notice to Client. Adviser is authorized to invoice the Custodian (if applicable) directly for its fees, although it will simultaneously send a copy of its bill to Client. Client shall be responsible for verifying the accuracy of the fee calculation -- the Custodian shall not determine whether the fee is calculated properly. Client agrees to instruct the Custodian to pay such fees directly to Adviser.

ERISA Accounts. If the Account is subject to the provisions of the Employment Retirement Income Security Act of 1974, as amended ("ERISA") or corresponding provisions of the Internal Revenue Code, as amended (the "IRC"), Adviser acknowledges that it is a "fiduciary" (as defined in ERISA and the IRC respectively) with respect to performing its duties under this Agreement. Client agrees to maintain appropriate ERISA bonding for the Account and to include within the coverage of the bond the Adviser and its personnel, as may be required by law. Client represents that employment of Adviser, and any instructions that have been given to Adviser with regard to the Account, are consistent with applicable plan and trust documents. Client agrees to furnish Adviser with copies of such governing documents. The person signing this Agreement on behalf of Client also acknowledges its status as a "named fiduciary" (as defined in ERISA and the IRC respectively) with respect to the control and management of the assets held in the Account, and agrees to notify Adviser promptly of any change in the identity of the named fiduciary with respect to the Account. Client also acknowledges that the Account is only a part of the plan's assets, and that Adviser is not responsible for overall compliance of such investments with the requirements of ERISA or any other governing law or documents.

If the Account is maintained on behalf of a plan subject to the Employee Retirement Income Security Act of 1974 ("ERISA") or similar government regulation, the Client represents that:

- (a) The Directed Broker is capable of providing best execution for the Account's brokerage transactions, the commission rates that Client negotiated are reasonable in relation to the brokerage and other services received by the plan, and Client will monitor the services provided by the Directed Broker to assure that the plan continues to receive best execution and pay reasonable commissions;
- (b) The use of the Directed Broker is for the exclusive benefit of the plan, and the brokerage arrangement that Client is directing Adviser to implement is for the exclusive purpose of defraying reasonable administrative costs of Client and is in recognition that the goods and services that the Directed Broker provides will inure solely to the benefit of Client and its beneficiaries;
- (c) The direction of brokerage commissions to the Directed Broker does not and will not constitute a "prohibited transaction" under Section 406 of ERISA, or otherwise contravene any other provision of ERISA or other applicable statute or regulation; and
- (d) The direction of brokerage commissions to the Directed Broker is consistent with the applicable plan and/or trust documents and will not conflict with any contractual, fiduciary or other obligations of Client, fiduciary or any other person acting on behalf of Client.

In consideration of Adviser's agreement to direct transactions to the Directed Broker, Client hereby releases Adviser and its agents, directors, officers, employees, and affiliates. Client agrees to indemnify and hold each of them harmless from any expenses, damages or liabilities, including, without limitation, reasonable attorney's fees, which any of them may incur in the enforcement of this indemnification or as a result of or relating directly or indirectly to this directed brokerage arrangement.

Non-Exclusive Relationship. Client acknowledges and agrees that Adviser may act as an investment adviser to other clients and receive fees for such services. The advice given and the actions taken with respect to such clients and Adviser's own account may differ from advice given or the timing and nature of action taken with respect to Client's Account. Client further recognizes that transactions in a specific security may not be accomplished for all clients' accounts at the same time or at the same price. Client also acknowledges that in managing the Account, Adviser may purchase or sell securities in which Adviser, its officers, directors, or employees, directly or indirectly, have or may acquire a position or interest.

Adviser may receive commissions, service fees or other forms of compensation in connection with the Account's investment in mutual funds. Accordingly, Adviser may have a conflict in recommending mutual funds for the Account as it has an incentive to recommend mutual funds which will pay such fees to it over those mutual funds that do not pay such fees.

Proxy Voting. Adviser shall have no obligation or authority to take any action or render any advice with respect to the voting of proxies solicited by or with respect to issuers of securities held by an Account.⁷ Client (or the plan fiduciary in the case of an Account subject to the provisions of the Employee Retirement Income Security Act of 1974 ["ERISA"]), expressly retains the authority and responsibility for, and Adviser is expressly precluded from rendering any advice or taking any action with respect to, the voting of any such proxies.

Assignment. This Agreement shall be binding on Client's heirs, executors, successors, administrators, conservators, and permitted assigns. Client may not assign (as that term is defined under the Investment Advisers Act of 1940, as amended) his or her rights or delegate his or her obligations under this Agreement, in whole or in part, without the prior written consent of Adviser.⁹ Adviser may not assign (as that term is defined under the Investment Advisers Act of 1940, as amended) this Agreement without Client's consent.

Termination. This Agreement may be terminated by either party at any time without penalty upon receipt of written notice. Such termination shall not, however, affect liabilities or obligations incurred or arising from transactions initiated under this Agreement prior to such termination, including the provisions regarding arbitration, which shall survive any expiration or termination of this Agreement. Upon termination, Client shall have the exclusive responsibility to monitor the securities in the Account, and Adviser shall have no further obligation to act or advise with respect to those assets. If Client terminates this Agreement within five (5) business days of its signing, Client shall receive a full refund of all fees and expenses. If this Agreement is terminated after five (5) business days of its signing, any prepaid fees shall be prorated and the unused portion shall be returned to Client.

Representations.

a. Adviser represents that it is registered as an investment adviser with the Securities and Exchange Commission ("SEC") under the Investment Advisers Act of 1940, and is authorized and empowered to enter into this Agreement.

b. Client represents and confirms that: (i) Client has full power and authority to enter into this Agreement; (ii) the terms hereof do not violate any obligation by which Client is bound, whether arising by contract, operation of law, or otherwise; and (iii) this Agreement has been duly authorized and shall be binding according to its terms.

c. If this Agreement is entered into by a trustee or other fiduciary, such trustee or fiduciary represents that the services to be provided by Adviser are within the scope of the services and investments authorized by the governing instruments of, and/or laws and regulations applicable to Client. Such trustee or fiduciary further represents and warrants that he or she is duly authorized to negotiate the terms of this agreement and enter into and renew this Agreement. The trustee or fiduciary shall provide Adviser with copies of the governing instruments authorizing establishment of the Account. The trustee or fiduciary undertakes to advise Adviser of any material change in his or her authority or the propriety of maintaining the Account.

d. If Client is a corporation, partnership or limited liability company, the signatory on behalf of Client represents that the execution of this Agreement has been duly authorized by appropriate corporate action. Client undertakes to advise Adviser of any event that might affect this authority or the propriety of this Agreement.

Risk and Liability. Adviser shall manage only the securities, cash and other investments held in Client's Account, and in making investment decisions for the Account, Adviser shall not consider any other securities, cash or other investments owned by Client. Client recognizes that there may be loss or depreciation of the value of any investment due to the fluctuation of market values. Client represents that no party to this Agreement has made any guarantee, either oral or written, that Client's investment objectives will be achieved. Adviser shall not be liable for any error in judgment and/or for any investment losses in the Account in the absence of malfeasance, negligence or violation of applicable law. Adviser shall not be responsible for any loss incurred by reason of any act or omission of Client, custodian, any broker-dealer, or any other third party. Nothing in this Agreement shall constitute a waiver or limitation of any rights that Client may have under applicable state or federal law, including without limitation the state and federal securities laws.

Legal Proceedings. Adviser shall not render advice or take any action with respect to securities or other investments, or the issuers thereof, which become subject to any legal proceedings, including bankruptcies. Client hereby expressly retains the right and obligation to take such legal action relating to any such investments held in the Account.

Notice. Any notice or other communication required or permitted to be given pursuant to this Agreement shall be deemed to have been duly given when delivered in person, or transmitted by facsimile (with hard copy sent by U.S. mail), sent by overnight courier (postage prepaid), or three days after mailing by registered mail (first class postage prepaid). All notices or communications to Adviser should be sent to the portfolio manager of the Account at Adviser's principal address. All notices or communications to Client shall be sent to the address contained in the Client Questionnaire pertaining to the Account.

Governing Law. This Agreement and all of the terms herein shall be construed and governed according to the laws of the State of Michigan, without giving effect to principles of conflict of laws, provided that there is no inconsistency with federal laws.

Entire Agreement. This Agreement represents the parties' entire understanding with regard to the matters specified herein. No other agreements, covenants, representations or warranties, express or implied, oral or written, have been made by any party to any other party concerning the subject matter of this Agreement.

Severability. If any part of this Agreement is found to be invalid or unenforceable by statute, rule, regulation, decision of a tribunal, or otherwise, it shall not affect the validity or enforceability of the remainder of this Agreement. To this extent, the provisions of this Agreement shall be deemed to be severable.

Disclosure Documents. Client acknowledges receipt of: (a) Adviser's Form ADV, Part II or similar disclosure document; and (b) Adviser's Notice of Privacy Practices. Client also acknowledges that Client has reviewed and understands the risk factors and the fees associated with the Account. Client has the right to terminate this Agreement without penalty within five (5) business days after entering into the Agreement.

Amendments. Adviser shall have the right to amend this Agreement by modifying or rescinding any of its existing provisions or by adding new provisions. Any such amendment shall be effective thirty (30) days after Adviser has notified Client in writing of any change, or such later date as is established by Adviser. All other amendments must be in writing and signed by Adviser.

Pre-Dispute Arbitration. Any controversy or dispute that may arise between Client and Adviser concerning any transaction or the construction, performance or breach of this Agreement shall be settled by arbitration. Any arbitration shall be pursuant to the rules, then applying, of the American Arbitration Association, except to the extent set forth herein. The arbitration panel shall consist of at least three individuals, with at least one panelist having knowledge of investment advisory activities. The parties agree that any arbitration proceeding pursuant to this provision shall be held in a location as determined by the rules of the American Arbitration Association, and judgment upon the award rendered may be entered into in any court, state or federal, having jurisdiction.

- **Arbitration is final and binding on all parties.**
- **The parties are waiving their right to seek remedies in court, including the right to a jury trial, except to the extent such a waiver would violate applicable law.**
- **Pre-arbitration discovery is generally more limited than and different from court proceedings.**
- **The arbitrators' award is not required to include factual findings or legal reasoning and any party's right to appeal or to seek modification of rulings by the arbitrators is strictly limited.**
- **The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.**

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action, or who is a member

of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until: (a) the class certification is denied; (b) the class is decertified; or (c) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

The agreement to arbitrate does not entitle Client to obtain arbitration of claims that would be barred by the relevant statute of limitations if such claims were brought in a court of competent jurisdiction. If at the time a demand for arbitration is made or an election or notice of intention to arbitrate is served, the claims sought to be arbitrated would have been barred by the relevant statute of limitations or other time bar, any party to this Agreement may assert the limitations as a bar to the arbitration by applying to any court of competent jurisdiction. Client expressly agrees that any issues relating to the application of a statute of limitations or other time bar are referable to such a court. The failure to assert such bar by application to a court, however, shall not preclude its assertion before the arbitrators.

Miscellaneous.

- a. The effective date of this Agreement shall be the date of its acceptance by Adviser.
- b. All paragraph headings in this Agreement are for convenience of reference only, do not form part of this Agreement, and shall not affect in any way the meaning or interpretation of this Agreement.