

**GYL Financial Synergies, LLC**

**ADV Part 2A Brochure Dated: August 23, 2018**

**65 Memorial Road, Suite 530 West Hartford, Connecticut 06107**

**The firm's CRD number is: 284758**

**This brochure provides information about the qualifications and business practices of GYL Financial Synergies, LLC (“GYL Financial”). If you have any questions about the contents of this brochure, please contact us at (860) 206-7400. 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 GYL Financial also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**References herein to GYL Financial as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.**

## **Item 2           Material Changes**

This Item of the Brochure will discuss only specific material changes that are made to the Brochure since the last annual update and provide clients with a summary of such changes.

The last annual update of our Brochure was March 29, 2018.

In July 2018, Focus Financial Partners Inc. (“Focus Pubco”) commenced an initial public offering (“IPO”) of shares of common stock. Focus Pubco is the sole managing member of Focus Financial Partners, LLC (“Focus LLC”) and, immediately following the IPO, owned an approximately two-thirds economic interest in Focus LLC. Because GYL Financial is an indirect, wholly-owned subsidiary of Focus LLC, GYL Financial is now an indirect, majority-owned subsidiary of Focus Pubco, a public company. Item 4 has been revised to reflect this new ownership structure.

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#### **Item 4            Advisory Business**

GYL Financial succeeded to the advisory business of its predecessor, GYL Financial, LLC (CRD# 284259/SEC# 801-108031) on August 1, 2016. GYL Financial is continuing the advisory business of the prior adviser in all respects. GYL Financial is managed by Gerald Goldberg, Jonathan Yolles, Michael Lepore and Claire McDonald (“GYL Financial Principals”), pursuant to a management agreement between Blueback Whalers, LLC and GYL Financial, LLC. The GYL Financial Principals serve as officers of GYL Financial and are responsible for the management, supervision and oversight of GYL Financial. Blueback Whalers, LLC does not provide investment advice.

FOCUS OPERATING, LLC, FOCUS FINANCIAL PARTNERS, LLC and FOCUS FINANCIAL PARTNERS INC.

The Registrant is part of the Focus Financial Partners partnership. As such, GYL Financial is a wholly-owned subsidiary of Focus Operating, LLC (“Focus Operating”), which is a wholly-owned subsidiary of Focus Financial Partners, LLC (“Focus LLC”). Focus Financial Partners Inc. (“Focus Pubco”), a public company traded on the NASDAQ Global Select Market, is the sole managing member of Focus LLC and, immediately following the IPO, owned an approximately two-thirds economic interest in Focus LLC. Thus, Focus Pubco is a direct owner of Focus LLC and an indirect owner of the Focus Partner Firms. Focus Pubco has no single 25%-or-greater shareholder. However, investment vehicles affiliated with Stone Point Capital LLC collectively have a greater-than-25% voting interest in Focus Pubco. Such investment vehicles also have a greater-than-25% voting interest in Focus LLC through their voting interest in Focus Pubco: As the sole managing member of Focus LLC, Focus Pubco has 100% voting control over Focus LLC, and thus such investment vehicles’ greater-than-25% voting interest in Focus Pubco also gives them a greater-than-25% voting interest in Focus LLC.

Focus LLC owns registered investment advisers, broker-dealers, pension consultants, insurance firms, and other financial service firms (the “Focus Partners”), most of which provide wealth management, benefit consulting and investment consulting services to individuals, families, employers, and institutions. Some Focus Partners also manage or advise limited partnerships, private funds, or investment companies as disclosed on their respective Form ADVs.”

Focus LLC and Focus Pubco are primarily owned by investment vehicles managed by Stone Point Capital LLC (“Stone Point”). Investment vehicles managed by Kohlberg Kravis Roberts & Co. L.P. (“KKR”) are minority owners of Focus LLC and Focus Pubco. Because GYL Financial is an indirect, wholly-owned subsidiary of Focus LLC and Focus Pubco, the Stone Point and KKR investment vehicles are indirect owners of GYL Financial.

GYL Financial offers a variety of advisory services, which include wealth management, institutional consulting, and discretionary or non-discretionary investment management services and certain

other services as described herein. For clients who maintain their accounts at Fidelity Investments, Inc. (“Fidelity”), GYL Financial offers these advisory services “wrapped” with the cost of custody and commissions (but not markups or markdowns embedded in fixed income transactions) for brokerage transactions executed at Fidelity. For clients who do not maintain their accounts at Fidelity, GYL Financial provides these services as described in this brochure and in accordance with the fee schedule discussed below in Item 5. Prior to GYL Financial rendering any of the foregoing advisory services, clients are required to enter into one or more written agreement(s) with GYL Financial setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

As of December 31, 2017, GYL Financial had \$1,921,868,441 in discretionary assets under management, \$989,587,805 in non-discretionary assets under management, and \$2,309,259,628 in non-discretionary assets under advisement, including non-discretionary advice rendered to 401k plans.

While this brochure generally describes the business of GYL Financial, certain sections also discuss the activities of its Supervised Persons, which refer to GYL Financial’s employees, directors, officers, partners, (or other persons occupying a similar status or performing similar functions), or any other person who provides investment advice on GYL Financial’s behalf and is subject to GYL Financial’s supervision or control.

Clients are advised that it remains their responsibility to promptly notify GYL Financial of any change in their financial situation, investment objectives, or wish to place any limitations on the management of their portfolios, for the purpose of reviewing, evaluating or revising GYL Financial’s recommendations and/or services. Clients may impose reasonable restrictions or mandates on the management of their accounts if GYL Financial determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to GYL Financial’s management efforts.

### ***Financial Planning and Consulting Services***

GYL Financial may be engaged to provide a client with a one-time financial plan, without ongoing investment management services, on a stand-alone separate fee basis. In performing these services, GYL Financial is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.,) and is expressly authorized to rely on such information. GYL Financial may also provide clients with insurance coverage, financial planning and wealth transfer consultation services procured through a third party. Clients are advised that a conflict of interest exists if clients engage GYL Financial or its affiliates where there is additional compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by GYL Financial under a financial planning or consulting engagement.

### ***Institutional Consulting Services***

GYL Financial offers fiduciary and non-fiduciary consulting services, on a non-discretionary and discretionary fee basis, to defined contribution, defined benefit, non-qualified plans and other investment pools. All non-municipal qualified plan client accounts are regulated under the Employee Retirement Income Securities Act (“ERISA”). GYL Financial will provide non-discretionary and discretionary, fiduciary and non-fiduciary advisory services to the sponsors of the defined contribution, defined benefits plan and nonqualified deferred compensation, whom have ultimate authority to direct the investing and reinvesting of plan assets as they deem appropriate, considering each plan’s stated objective, liquidity needs, and stated policies and guidelines. Non-discretionary investment services provided to an ERISA plan means the ERISA plan client retains and exercises the final decision-making authority for implementing or rejecting GYL Financial’s recommendations. Discretionary investment management services provided on a discretionary basis as an ERISA 3(38) investment manager means GYL Financial makes the investment decisions in its sole discretion without the ERISA plan client’s prior approval. GYL Financial employs an initial and ongoing screening process based upon various quantitative and qualitative factors, including but not limited to risk-adjusted performance and costs. GYL Financial will provide services only to the extent it receives necessary and timely cooperation from the client, including but not limited to meetings, telephone calls, production of documents, coordination of services and Company decision making assistance. GYL Financial agrees to make available the following services (collectively, “Services”) to the client and the Plan during the term of the engagement:

- i. Assistance in the development and maintenance of an Investment Policy Statement;
- ii. Prepare asset allocation studies;
- iii. Undertake manager selection and evaluation;
- iv. Performance monitoring;
- v. Fee benchmarking; and
- vi. Coordinate RFPs on behalf of a client in connection with ancillary and related services

When GYL Financial provides investment advice for a fee to an ERISA plan or ERISA plan participant, it is a fiduciary under ERISA. Also, GYL Financial is a fiduciary under the Internal Revenue Code (the “IRC”) when it provides investment advice to an ERISA plan, ERISA plan participant, an IRA or an IRA owner (collectively, a “Retirement Account Client”). Certain of the foregoing services are provided by GYL Financial as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). To the extent a client’s plan is covered by ERISA, in accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of GYL Financial’s fiduciary status, the specific services to be rendered and all direct and indirect compensation GYL Financial reasonably expects under the engagement.

### ***Investment Management Services***

GYL Financial manages client investment portfolios on a discretionary or non-discretionary basis. GYL Financial primarily allocates client assets among various mutual funds, exchange-traded funds (“ETFs”), stocks, government and corporate bonds, alternative investments, structured notes and

independent investment managers of separately managed accounts (“Independent Managers”) in accordance with their stated investment objectives. Where appropriate, GYL Financial may also provide advice about any type of legacy position or other investment held in client portfolios. Clients may engage GYL Financial to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as private placements, direct real estate holdings, variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (*i.e.* 529 plans). In the latter situations, GYL Financial directs or recommends the allocation of client assets among the various investment options available with the product. Certain of these assets may be maintained at the underwriting insurance company or the custodian designated by the product’s provider.

GYL Financial tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on a continuous basis, that client portfolios are managed in a manner consistent with those needs and objectives. GYL Financial consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios.

#### ***Sponsor and Manager of Wrap Program***

GYL Financial provides investment management services as the sponsor and manager of the GYL Financial Wrap Program (the “GYL Program”), an arrangement where the client pays a single fee (“GYL Program Fee”) for GYL Financial’s investment advice, custody and commissions for securities transactions executed at Fidelity. The GYL Program Fee does not include the fees and expenses of the underlying mutual funds, ETFs or Independent Managers and their Platform Manager, as described in greater detail in response to Item 5, below, or mark-ups and mark-downs embedded in Fixed Income transactions. Accounts managed through the GYL Program are done so in substantially the same manner as those managed under a non-wrap arrangement. Generally, every private client whose assets are custodied with Fidelity as custodian is managed within the GYL Program.

Participants in the GYL Program may pay a higher or lower aggregate fee than if investment management and brokerage services are purchased separately. Additional information about the GYL Program is available in GYL Financial’s Wrap Brochure, which appears as Part 2A Appendix 1 of GYL Financial’s Form ADV.

However, GYL Financial shall continue to render advisory services to the client relative to the ongoing monitoring and reviewing of account performance, for which GYL Financial shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager. The Independent Manager’s fee shall be separate from and in addition to the fee charged by GYL Financial. For traditional asset classes, the additional fee paid to an Independent Manager ranges from a minimum of .05% to a maximum of 1.5%.

The fee paid to GYL Financial can be more or less than the cost of paying for investment advice, trade execution, custody and reporting services separately, depending on the cost of these services if provided separately and the level of trading activity in the client's account. Depending upon the percentage wrap-fee charged by GYL Financial, the amount of portfolio activity in the client's account, and the value of custodial and other services provided, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately.

*Conflict of Interest:* The GYL Program Fee is inclusive of transaction fees or commissions incurred at the account level. Depending on how GYL Financial elects to pay the custodian/broker-dealer fees incurred at the account level, GYL Financial may have an economic incentive to maximize its compensation by seeking to minimize the number of trades in the client's account. However, as a fiduciary it remains GYL Financial's duty to always act in the client's best interest. There will be times, including extensive periods, where there will be no recommendations to trade a client's account, as a result of each individual client's facts and circumstances, including tax reasons, and other financial decisions. GYL Financial's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the corresponding conflict of interest a wrap fee arrangement may create.

### *Miscellaneous Services*

*Non-Investment Consulting and Implementation Services.* To the extent requested by the client, GYL Financial may provide consulting services regarding non-investment related matters, such as estate planning, insurance, etc. Neither GYL Financial, nor any of its representatives, provide legal or accounting advice and no portion of GYL Financial's services should be construed as such. To the extent requested by a client, GYL Financial may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). There are no referral fees received by GYL Financial for recommending services of other professionals.

*Private Investment Funds.* GYL Financial may provide investment advice regarding unaffiliated private investment funds. GYL Financial's role relative to the private investment funds shall be limited to its initial and ongoing due diligence and investment monitoring services. If a client determines to become a private fund investor, the amount of assets invested in the fund(s) shall be included as part of "assets under management" for purposes of GYL Financial calculating its investment advisory fee. GYL Financial's clients are under absolutely no obligation to consider or make an investment in a private investment fund(s). Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund's offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that they are qualified for investment in the fund, and acknowledges and accepts the various risk factors that are associated with such an investment.

*Retirement Plan Rollovers - No Obligation/Conflict of Interest.* A client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in their former employer's plan, if permitted, (ii) roll over the assets to their new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age and other factors, result in adverse tax consequences). GYL Financial may recommend an investor roll over plan assets to an IRA managed by GYL Financial. As a result, GYL Financial and its representatives may earn an asset-based fee. In contrast, a recommendation that a client or prospective client leave their plan assets with their former employer or roll the assets to a plan sponsored by a new employer will generally result in no compensation to GYL Financial (unless the client engages GYL Financial to monitor or manage the account while maintained at the client's employer).

The DOL significantly expanded the definition of fiduciary under ERISA and the IRC. Under this expanded definition, when an adviser recommends that a plan participant take a distribution from an ERISA plan and roll it over to an IRA advised by the adviser or recommends that an IRA owner transfer his/her IRA to an IRA advised by the adviser, the adviser is engaged in a fiduciary act that presents a conflict of interest. As such, GYL Financial is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption (a "PTE").

A conflict of interest arises and the prohibited transaction rules are implicated when GYL Financial recommends that an ERISA plan participant take a distribution from an ERISA Plan and roll it over to an IRA that GYL Financial advises or if GYL Financial recommends that an IRA owner transfer his IRA to an IRA that GYL Financial advises because GYL Financial will receive compensation that it would not have received absent the recommendation – i.e., the IRA advisory fee. When GYL Financial engages in this transaction, it relies on the PTE known as the Best Interest Contract Exemption or BICE which requires compliance with the "impartial conduct standards." The impartial conduct standards are designed to mitigate conflicts of interest by requiring that investment advice be in the "best interest" of the Retirement Account Client, that advisers not make any materially misleading statements and not charge a fee that exceeds a reasonable amount. The best interest standard requires that advisers act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use, based on the investment objectives, risk tolerance, financial circumstances and needs of the Retirement Account Client. This mirrors the prudent man standard of conduct and duty of loyalty found in ERISA. There are various factors that GYL Financial may consider before recommending a rollover, including but not limited to: (i) the investment options available in the plan versus the investment options available in an IRA; (ii) fees and expenses in the plan versus the fees and expenses in an IRA; (iii) the services and responsiveness of the plan's investment



professionals versus GYL Financial's; (iv) protection of assets from creditors and legal judgments; (v) required minimum distributions and age considerations; and (vi) employer stock tax consequences, if any. No client is under any obligation to roll over plan assets to an IRA managed by GYL Financial or to engage GYL Financial to monitor or manage the account while maintained at the client's employer.

*eMoney Advisor Platform.* GYL Financial may provide its clients with access to an online platform hosted by "eMoney Advisor" ("eMoney"). The eMoney platform allows a client to view their complete asset allocation, including those assets GYL Financial does not manage (the "Excluded Assets"). Unless specifically engaged by clients to do so, GYL Financial does not provide investment management, monitoring, or implementation services for the Excluded Assets, and thus, GYL Financial shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the eMoney platform without GYL Financial's assistance or oversight.

## **Item 5            Fees and Compensation**

### ***Financial Planning and Consulting Services Fees***

GYL Financial's planning and consulting fees are negotiable, but generally range from \$2,500 to \$25,000 on a fixed fee basis, and from \$200 to \$600 on an hourly basis, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging GYL Financial to provide planning or consulting services on a stand-alone basis, clients are generally required to enter into a planning and consulting agreement with GYL Financial setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to GYL Financial commencing services.

### ***Institutional Consulting Services***

GYL Financial offers consulting services, on a non-discretionary or discretionary fee basis, to defined contribution, defined benefit and non-qualified plans. Generally, GYL Financial's advisory fees are payable quarterly in advance. However, GYL Financial may also charge its advisory fees quarterly in arrears. GYL Financial's fee for advisory services may be based on a percentage of assets under advisement, an agreed upon fixed fee or determined on an hourly rate basis.

### ***Investment Management Services***

GYL Financial's annual investment advisory fee shall be based upon various objective and subjective factors. These factors include, but are not limited to, the amount of the assets placed under GYL Financial's advisement, the level and scope of the overall investment advisory services to be rendered and the complexity of the engagement.

GYL Financial charges an investment advisory fee based upon a percentage (%) of the market value of the assets placed under management. GYL Financial's fees, which may be up to 2.0% of a

client's asset under management, are negotiable, and vary depending upon various objective and subjective factors, including but not limited to: the representative assigned to the account, the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and outcome of negotiations with the client. As a result, similar clients could pay different fees, which will correspondingly impact a client's net account performance. Moreover, the services to be provided by GYL Financial to any particular client could be available from other advisers at higher or lower fees. All clients and prospective clients should consider these factors accordingly.

*Cash Positions.* At any specific point in time, depending upon perceived or anticipated market conditions or events (there being no guarantee that such anticipated market conditions/events will occur), GYL Financial may maintain cash positions for defensive or other purposes. All cash positions (money markets, etc.) shall be included as part of assets under management for purposes of calculating GYL Financial's advisory fee.

Additional fees and expenses. In addition to the GYL Financial's advisory fee, clients who receive investment management services from GYL Financial will be responsible for the fees and expenses of the underlying mutual funds, ETF's and Independent Managers and their Platform Manager (Envestnet), transfer taxes, odd lot differentials, exchange fees, interest charges, ADR processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law, retirement plan account fees (where applicable), margin interest, commissions, mark-ups or mark-downs embedded in certain fixed income transactions, and other transaction-related costs, electronic fund and wire fees, and any other fees that reasonably may be borne by a brokerage account. Please see Item 12 below for further information. Clients should review the applicable prospectuses for additional information about fund fees and expenses. For Independent Managers, clients should review each manager's Form ADV 2A disclosure brochure and their Statement of Investment Selection for additional information about fees and expenses charged.

### ***GYL Financial Wrap Program***

The GYL Program Fee covers GYL Financial's advisory services, custody and commissions for securities transactions affected through Fidelity. GYL Financial's fees, which may be up to 2.0% of a client's asset under management, are negotiable, and vary depending upon various objective and subjective factors, including those discussed above, and the amount and type of the Program assets.

Additional fees and expenses. In addition to the GYL Program Fee, clients will be responsible for the fees and expenses of the underlying mutual funds, ETF's and Independent Managers and their Platform Manager (Envestnet), transfer taxes, odd lot differentials, exchange fees, interest charges, ADR processing fees, and any charges, taxes or other fees mandated by any federal, state or other applicable law, retirement plan account fees (where applicable), electronic fund and wire fees. Clients should review the applicable prospectuses for additional information about fund fees and expenses. For Independent Managers, clients should review each manager's Form ADV 2A

disclosure brochure and either the contract they sign with the Independent Manager (in a dual contract relationship) or their Statement of Investment Selection (in a single contract relationship) for additional information about fees and expenses charged.

The GYL Program Fee does not cover mark-ups or mark-downs for fixed income transactions. Fixed income transactions usually are cleared net, without any commissions. However, the broker-dealers executing fixed income transactions typically assess mark-ups or other trading related costs that are embedded into the price of the security allocated to client accounts.

Payment of fees. GYL Financial's annual investment advisory fee shall generally be prorated and paid quarterly, in advance, based upon the market value of the client's assets on the last business day of the previous quarter

Clients may elect to have GYL Financial's advisory fees deducted from their custodial account, or elect to be invoiced and remit a check for payment. In the limited event that GYL Financial bills the client directly, payment is due upon receipt of GYL Financial's invoice. GYL Financial shall deduct fees or generally bill clients quarterly in advance, based upon the market value of the client's assets on the last business day of the previous quarter. In certain instances, GYL Financial may bill clients quarterly in arrears. For these clients' fees will be based upon the market value of the client's assets on the last business day of the billing quarter. In the event that there is not sufficient cash in a client's account to pay the advisory fee, GYL Financial may sell client assets, with or without client consent, provided that reasonable attempts to obtain consent to effect such transaction (for non-discretionary accounts) are made by GYL Financial and are documented in GYL Financial's books and records.

Other compensation. Neither GYL Financial, nor its representatives accept compensation from the sale of securities or other investment products.

## **Item 6                    Performance-Based Fees and Side-by-Side Management**

Neither GYL Financial nor any Supervised Person of GYL Financial accepts performance-based fees.

## **Item 7                    Types of Clients**

GYL Financial's clients shall generally include individuals, business entities, trusts, estates, charitable organizations, municipalities, insurance pools and qualified and non-qualified defined contribution plans.

GYL Financial generally requires a minimum asset level of \$1,000,000 for investment advisory services for individual clients and \$10,000,000 for institutional clients. GYL Financial, in its sole discretion, may reduce its minimum asset requirement or charge a lesser investment management

fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). Please Note: Certain independent managers utilized by GYL Financial, may impose more restrictive account requirements and billing practices than in place at GYL Financial. In these instances, GYL Financial may alter its corresponding account requirements or billing practices to accommodate those of the independent manager.

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

### ***Methods of Analysis and Investment Strategies***

GYL Financial may utilize one or more of the following methods of security analysis:

*Charting* - (analysis performed using patterns to identify current trends and trend reversals to forecast the direction of prices)

*Cyclical* - (analysis performed on historical relationships between price and market trends, to forecast the direction of prices)

*Fundamental* - (analysis performed on historical and present data, with the goal of making financial forecasts)

*Technical* – (analysis performed on historical and present data, focusing on price and trade volume, to forecast the direction of prices)

GYL Financial may utilize one or more of the following investment strategies when implementing investment advice given to clients:

- Long Term Purchases (securities held at least a year)
- Short Term Purchases (securities sold within a year)
- Trading (securities sold within thirty (30) days)
- Options (contract for the purchase or sale of a security at a predetermined price during a specific period of time)

GYL Financial's methods of analysis and investment strategies do not present any unusual risks. However, every method of analysis has its own inherent risks. To perform an accurate market analysis GYL Financial must have access to current/new market information. GYL Financial has no control over the dissemination rate of market information; therefore, unbeknownst to GYL Financial, certain analyses may be derived from stale information, severely limiting the value of GYL Financial's analysis. Furthermore, an accurate market analysis can only produce a forecast of the direction of market values. There can be no assurances that a forecasted change in market value will materialize into actionable or profitable investment opportunities.

GYL Financial's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own

inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, as a result of more frequent trading, may incur higher transactional costs when compared to a longer term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short term investment strategy and substantially higher transaction costs than a longer term investment strategy.

In addition to the fundamental investment strategies discussed above, GYL Financial may also implement options strategies. The use of option strategies, even as a hedge, has a high level of inherent risk. (See discussion below).

### ***Risk of Loss***

#### ***Market Risks***

Investing involves risk, including the potential loss of principal, which clients should be prepared to bear. The profitability of a significant portion of GYL Financial's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that GYL Financial will be able to predict those price movements accurately or capitalize on any such assumptions.

#### ***Mutual Funds and ETFs***

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or

discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

#### *Closed-end Fund*

Closed-end funds generally do not continually offer their shares for sale. Rather, they sell a fixed number of shares at one time, after which the shares typically trade on a secondary market. Risk factors pertaining to closed-end funds vary from fund to fund.

*Valuation Risk* - Common shares may trade above (a premium) or below (a discount) the net asset value (NAV) of the trust/fund's portfolio. At times, discounts could widen or premiums could shrink, and could either dilute positive performance or compound negative performance. There is no assurance that discounted funds will appreciate to their NAV.

*Interest Rate Risk* - Generally, when market interest rates rise, bond prices fall, and vice versa. Interest rate risk is the risk that the bonds and/or other income-related instruments in a fund's portfolio will decline in value because of increases in market interest rates. The prices of longer-maturity securities tend to fluctuate more than shorter-term security prices.

*Credit Risk* - One or more securities in a trust/fund's portfolio could decline or fail to pay interest or principal when due. Income-related securities of below investment grade quality are predominately speculative with respect to the issuer's capacity to pay interest and repay principal when due and, therefore, involve a greater risk of default.

*Concentration Risk* - A trust/fund that invests a substantial portion of its assets in securities within a single industry or sector of the economy may be subject to greater price volatility or adversely affected by the performance of securities in that particular sector or industry.

*Reinvestment Risk* - Income from a trust/fund's bond portfolio will decline when the trust/fund invests the proceeds from matured, traded, or called bonds at market interest rates that are below the portfolio's current earnings rate. A decline in income could affect the common shares' market price or their overall returns.

*Leverage Risk* - The use of leverage may lead to increased volatility of a trust/fund's NAV and market price relative to its common shares. Leverage is likely to magnify any losses in the trust/fund's portfolio, which may lead to increased market price declines. Fluctuations in interest rates on borrowings or the dividend rates on preferred shares that take place from changes in short-term interest rates may reduce the return to common shareholders or result in fluctuations in the dividends paid on common shares. There is no assurance that a leveraging strategy will be successful.

*Foreign Investment Risk* - Investment in foreign securities (both governmental and corporate) may involve a high degree of risk. Trusts/funds invested in foreign securities are subject to additional risks such as, but not limited to, currency risk and exchange-rate risk, political instability, and economic instability of the countries from where the securities originate. In regards to debt securities, such risks may impair the timely payment of principal and/or interest; and

*Alternative Minimum Tax (AMT)* - A trust/fund may invest in securities subject to the AMT.

#### *Use of Independent Managers*

As stated above, GYL Financial may select certain Independent Managers to manage a portion of its clients' assets. In these situations, GYL Financial continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, GYL Financial generally does not have the ability to supervise the Independent Managers on a day-to-day basis.

#### *Use of Private Collective Investment Vehicles*

GYL Financial may recommend that certain clients invest in privately placed collective investment vehicles (e.g., hedge funds, private equity funds, etc.). The managers of these vehicles have broad discretion in selecting the investments. There are few limitations on the types of securities or other financial instruments which may be traded and no requirement to diversify. Hedge funds may trade on margin or otherwise leverage positions, thereby potentially increasing the risk to the vehicle. In addition, because the vehicles are not registered as investment companies, there is an absence of regulation. There are numerous other risks in investing in these securities. Clients should consult each fund's private placement memorandum and/or other documents explaining such risks prior to investing.

#### *Master Limited Partnerships (MLPs)*

GYL Financial may recommend that certain clients invest in Master Limited Partnerships ("MLPs"). MLPs are collective investment vehicles, the partnership interests of which are publicly traded on national securities exchanges. MLPs invest primarily in companies within the energy sector that engage in qualifying lines of business, such as natural resource production and mineral refinement. MLPs are therefore subject to the underlying volatility of the energy industry and may be adversely affected by changes to supply and demand, regional instability, currency spreads, inflation and interest rate fluctuations, among other such factors. In addition, MLPs operate as pass-through tax entities, meaning that investors are liable for their pro rata share of the partnership taxes, regardless of the types of accounts where the interests are held.

#### *Options*

GYL Financial may recommend that certain clients invest in Options which allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total

loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

#### *Real Estate Investment Trusts (REITs)*

GYL Financial may recommend an investment in, or allocate assets among, various real estate investment trusts (“REITs”), the shares of which exist in the form of either publicly traded or privately placed securities. REITs are collective investment vehicles with portfolios comprised primarily of real estate and mortgage related holdings. Many REITs hold heavy concentrations of investments tied to commercial and/or residential developments, which inherently subject REIT investors to the risks associated with a downturn in the real estate market. Investments linked to certain regions that experience greater volatility in the local real estate market may give rise to large fluctuations in the value of the vehicle’s shares. Mortgage related holdings may give rise to additional concerns pertaining to interest rates, inflation, liquidity and counterparty risk.

#### *Exchange-Traded Notes (ETNs)*

GYL Financial may recommend an investment in, or allocate assets among, various exchange-traded notes (“ETNs”). ETNs are unsecured debt securities which are listed on securities exchanges and transacted at negotiated prices in the secondary market. ETNs are designed to track the performance of a corresponding benchmark. An ETN is essentially a contract between an issuer and the ETN holder, whereby the issuer, upon maturity, agrees to pay an amount relative to the returns of the underlying benchmark. In addition to the risks associated with the specific benchmark, ETN holders are also subject to various counterparty concerns. In this respect, the value of an ETN may be adversely impacted by a downgrade to the issuer’s credit rating and/or an unwillingness or inability of the issuer to perform its contractual obligations.

#### *Management through Similarly Managed “Model” Accounts*

GYL Financial manages certain accounts through the use of similarly managed “model” portfolios, whereby GYL Financial allocates all or a portion of its clients’ assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, GYL Financial remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients’ net after tax gains. While GYL Financial seeks to ensure that clients’ assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy are usually done without regard to a client’s individual tax ramifications. Clients should contact GYL Financial if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.



## *Cybersecurity*

The computer systems, networks, and devices used by GYL Financial and service providers to both GYL Financial, and its clients to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached. A client could be negatively impacted as a result of a cybersecurity breach.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. Cybersecurity breaches may cause disruptions and impact business operations, potentially resulting in financial losses to a client; impediments to trading; the inability by us and other service providers to transact business; violations of applicable privacy and other laws; regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; as well as the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which a client invests; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, and other financial institutions; and other parties. In addition, substantial costs may be incurred by these entities in order to prevent any cybersecurity breaches in the future.

GYL Financial maintains an Information Security Policy as well as a Disaster Recovery Plan (“DRP”) which are both intended to mitigate cybersecurity risks and establish policies/procedures should a cybersecurity breach occur. The DRP is tested at least annually and GYL Financial’s Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding GYL Financial’s cybersecurity.

## **Item 9           Disciplinary Information**

GYL Financial and its management persons have not been the subject of any disciplinary actions.

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

As noted above in response to Item 4, certain investment vehicles managed by Stone Point collectively are principal owners of Focus LLC and Focus Pubco, and certain investment vehicles managed by KKR collectively are minority owners of Focus LLC and Focus Pubco. Because GYL Financial is an indirect, wholly-owned subsidiary of Focus LLC and Focus Pubco, the Stone Point

and KKR investment vehicles are indirect owners of GYL Financial. None of Stone Point, KKR, or any of their affiliates participates in the management or investment recommendations of GYL Financial.

GYL Financial does not believe that the Focus LLC and Focus Pubco relationships pose a material conflict to clients. The Focus Partner firms do not share client information amongst each other without prior client consent. The Principals of the other Focus Partner Firms are not involved in the management of GYL Financial.

Neither GYL Financial, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

#### *Licensed Insurance Agents.*

Certain of GYL Financial's representatives are licensed insurance agents. GYL Financial representatives do not sell insurance-related products and do not receive commission or any other form of compensation in connection with the purchase of an insurance-related product. GYL Financial will collaborate with your insurance advisor to conduct a thorough review of your insurance policies. No client is under any obligation to purchase any commission products from GYL Financial nor are they offered by GYL Financial or its representatives.

GYL Financial does not receive, directly or indirectly, compensation from independent managers that it recommends or selects for its clients.

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

GYL Financial has adopted a code of ethics in accordance with applicable securities laws ("Code of Ethics") that sets forth the standards of conduct expected of its Supervised Persons. GYL Financial's Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by GYL Financial or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of GYL Financial's personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (*e.g.*, initial public offerings, limited offerings). However, GYL Financial's Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with GYL Financial's policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities.

When GYL Financial is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed in the client's account by GYL Financial;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers' acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds.

Clients and prospective clients may contact GYL Financial to request a copy of its Code of Ethics.

## **Item 12            Brokerage Practices**

GYL Financial routinely recommends that clients select Fidelity to serve as the qualified custodian and broker-dealer for their accounts. Broker-dealers such as Fidelity charge brokerage commissions or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions).

Factors that GYL Financial considers in recommending Fidelity (or another broker-dealer/custodian, investment platform or mutual fund sponsor) include historical relationship with GYL Financial, financial strength, reputation, execution capabilities, pricing, research, and service. 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 broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although GYL Financial will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. Higher transaction costs adversely impact account performance.

GYL Financial does not receive referrals from broker-dealers.

GYL Financial does not generally accept client directed brokerage arrangements (where a client requires that account transactions be effected through a specific broker-dealer and negotiates the terms). In such client directed arrangements, GYL Financial would not seek better execution services or prices from other broker-dealers or be able to "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by GYL Financial.

As a result, a client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Additionally, transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

Trade Aggregation: To the extent that GYL Financial provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless GYL Financial decides to purchase or sell the same securities for several clients at approximately the same time. GYL Financial may (but is not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among GYL Financial’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. GYL Financial shall not receive any additional compensation or remuneration as a result of such aggregation.

In the event that GYL Financial determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, GYL Financial may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

#### Research and Additional Benefits

GYL Financial receives from Fidelity without cost (or at a discount) support services or products. Included within the support services that are received by GYL Financial may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance or practice management-related publications, discounted or gratis consulting services, discounted or gratis attendance at conferences, meetings, and other educational or social events, marketing support, computer hardware or software or other products used by GYL Financial in furtherance of its investment advisory business operations.

Specifically, Fidelity has agreed to provide the following to GYL Financial:

- A credit in the amount of \$400,000 to be used toward qualifying start-up and transition costs, including legal fees, marketing materials, technology costs, printing and stationery expenses incurred during the first two years following GYL Financial's launch, in addition to other credits for reimbursement of ACAT, transaction and asset-based fees for a limited period of time;
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

Certain of the support services or products described above assist GYL Financial in managing and administering client accounts. Others do not directly provide such assistance, but rather assist GYL Financial to manage and further develop its business enterprise and offset costs that GYL Financial otherwise would be required to bear. Clients should be aware that GYL Financial's receipt of economic benefits from Fidelity creates a conflict of interest since these benefits may influence GYL Financial's choice of Fidelity over another broker-dealer/custodian that does not furnish similar support.

GYL Financial has not made a commitment to Fidelity or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

### **Item 13      Review of Accounts**

For those clients to whom GYL Financial provides investment supervisory services, account reviews are conducted on a periodic basis by GYL Financial's Principals and representatives. All investment supervisory clients are advised that it remains their responsibility to advise GYL Financial of any changes in their investment objectives or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with GYL Financial on an annual basis.

GYL Financial may conduct account reviews on an other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives or financial situation, market corrections and client request.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian or program sponsor

for the client accounts. GYL Financial may also provide a written periodic report summarizing account activity and performance.

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

GYL Financial's parent company is Focus Financial Partners, LLC ("Focus"). From time to time, Focus holds partnership meetings and other industry and best-practices conferences, which typically include GYL Financial, other Focus firms and external attendees. These meetings are first and foremost intended to provide training or education to personnel of Focus firms, including GYL Financial. However, the meetings do provide sponsorship opportunities for asset managers, asset custodians, vendors and other third-party service providers. Sponsorship fees allow these companies to advertise their products and services to Focus firms, including GYL Financial. Although the participation of Focus firm personnel in these meetings is not preconditioned on the achievement of a sales target for any conference sponsor, this practice could nonetheless be deemed a conflict as the marketing and education activities conducted, and the access granted, at such meetings and conferences could cause GYL Financial to focus on those conference sponsors in the course of its duties. Focus attempts to mitigate any such conflict by allocating the sponsorship fees only to defraying the cost of the meeting or future meetings and not as revenue for itself or any affiliate, including GYL Financial. Conference sponsorship fees are not dependent on assets placed with any specific provider or revenue generated by such asset placement.

The following entities have provided conference sponsorship to Focus in the last year:

Fidelity Brokerage Services  
J.P. Morgan Asset Management  
Charles G. Schwab & Co.

Neither GYL Financial nor any of its representatives compensates any person other than its Supervised Persons for client referrals.

#### **Item 15            Custody**

GYL Financial shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker- dealer/custodian or program sponsor for the client accounts. GYL Financial may also provide a written periodic report summarizing account activity and performance. Clients are urged to compare any statement or report provided by GYL Financial with the account statements received from the account custodian. The account custodian does not verify the accuracy of GYL Financial's advisory fee calculation.

## **Item 16            Investment Discretion**

Clients are permitted to engage GYL Financial to provide investment advisory services on a discretionary basis. GYL Financial is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. Prior to GYL Financial assuming discretionary authority over a client's account, the client shall be required to execute an advisory agreement, which grants GYL Financial authority through a power-of-attorney included in the advisory agreement, to buy, sell, or otherwise effect investment transactions (including determining the securities to be purchased or sold, the amount of securities to be purchased or sold, when transactions should be made and the hiring and firing of Independent Managers) involving the assets in the client's name in the discretionary account.

However, Clients who engage GYL Financial on a discretionary basis may, at any time, impose restrictions, in writing, on GYL Financial's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe GYL Financial's use of margin, etc.).

## **Item 17            Voting Client Securities**

GYL Financial does not vote client proxies. Clients maintain exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities owned by the client shall be voted, and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.

Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact GYL Financial to discuss any questions they may have with a particular solicitation.

## **Item 18            Financial Information**

GYL Financial does not solicit investment advisory fees of more than \$1,200, per client, six months or more in advance.

GYL Financial is unaware of any financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts.

GYL Financial has not been the subject of a bankruptcy petition.

ANY QUESTIONS: GYL Financial's Chief Compliance Officer remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.