



**BEACON GLOBAL  
ADVISOR NETWORK**

**FORM ADV PART 2A**

Item 1 – Cover Page

**Beacon Global Advisor Network, LLC  
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Atlanta, GA 30328  
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770-713-9001**

**September 2019**

**This brochure provides information about the qualifications and business practices of Beacon Global Advisor Network, LLC. If you have any questions about the contents of this Brochure, please contact us at (678) 517-4474 and/or [dawnbond@bganetwork.com](mailto:dawnbond@bganetwork.com). The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.**

**Additional information about Beacon Global Advisor Network, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number for Beacon Global Advisor Network, LLC is 288833.**

**Any references to Beacon Global Advisor Network, LLC as a registered investment adviser or its related persons as registered advisory representatives does not imply a certain level of skill or training.**

## Item 2 - MATERIAL CHANGES

The most recent annual update to this brochure is dated March 2019.

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At least annually, this section will discuss only specific material changes that are made to the Brochure and provide you with a summary of such changes. Additionally, reference to the date of the last annual update to this Brochure will be provided.

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, which is December 31st. We may further provide other ongoing disclosure information about material changes as necessary.

Additionally, we will further provide you with a new brochure as necessary based on change or new information, at any time, without charge.

Our brochure may be requested free of charge by contacting Dawn Bond at 678-517-4474 or [dawnbond@bganetwork.com](mailto:dawnbond@bganetwork.com). Additional information about BGAN is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The website also provides information about any persons affiliated with BGAN who are registered, or are required to be registered, as investment adviser representatives of BGAN.

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#### **Item 4 - ADVISORY BUSINESS**

Beacon Global Advisor Network, LLC (hereinafter referred to as “BGAN”) is an investment advisory firm offering a variety of advisory services customized to your individual needs.

- A. BGAN was established in April 2017. The principal owners and members of BGAN are: Joseph Gruber, President; Robert Rigby-Hall, Treasurer; and Randy Landsman, Vice President.

BGAN is an investment adviser that consists of many independent contractors who have affiliated with BGAN as Advisory Representatives to offer the advisory services and programs described within this brochure. The Advisory Representatives (“AR”) each have their own businesses and offices through which they conduct not only advisory business but provide other financial services. They market a variety of financial related services including accounting and insurance services not offered by BGAN through their independent businesses. These businesses are separate from and not affiliated with BGAN. The Advisory Representatives have a direct interest in the fee charged to you since BGAN will pay a portion of the advisory fee charged to you to your Advisory Representative. It is important to refer to the Item 5 – Fees and Compensation below. Our Advisory Representatives cannot exceed the fee disclosed under Item 5 below. However, the negotiability and the fee that you will pay for advisory services is determined between you and your Advisory Representative.

Adviser is a registered investment adviser. As an investment adviser, we are a fiduciary to our advisory clients. As fiduciaries, we are expected act and provide advice in the best interests of clients; have a duty to be loyal to our clients; make full and fair disclosure of all material conflicts of interest; seek best execution for client transactions; ensure that investment advice is suitable for clients' objectives, needs and circumstances; have a duty to have a reasonable, independent basis for investment advice; and refrain from effecting personal securities transactions that are inconsistent with client interests. If your account is a retirement account and subject to the Employee Retirement Income Security Act of 1974, we are also a fiduciary within Section 3(21) under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. As ERISA fiduciaries, we are expected to provide advice that is in your best interest; only charge fees that are reasonable; and not make any materially misleading statements about recommended transactions, fees and compensation, conflicts of interest, or any other matters relevant to your investment decisions.

- B. BGAN offers the following advisory services. Each of the services is more fully described below.
- Asset Management
  - Financial Planning
  - Retirement Consulting Services
  - Analysis, Recommendation and Monitoring of Third-Party Managed Programs
  - Pension Advice for United Kingdom and other Nationals Expatriates

**Asset Management Services**

BGAN will provide continuous and ongoing management of your account. Unless otherwise expressly requested by you, BGAN will manage your portfolio on a discretionary basis and will make changes to the allocation as deemed appropriate by BGAN. BGAN will determine the securities to be purchased and sold in the account and will alter the securities holdings from time to time, without prior consultation with you. BGAN from time to time will actively trade securities and hold such holdings for periods of 30 days or less or maintain positions for longer- or shorter-term periods at the discretion of your Advisory Representative.

BGAN's asset management program includes the use of a Unified Managed Account Program in which BGAN uses various managers and their managed models to assist BGAN to provide asset management of your account. Your advisory representative designs a customized management portfolio using a combination of individual securities, mutual funds, exchange traded funds (ETFs), and third-party managers and model portfolios managed by various third-party managers.

By execution of the BGAN Discretionary Asset Management Agreement, you will grant discretionary authorization to BGAN and your Advisory Representative to manage your account including selecting an overlay manager(s) and model account strategist, or third-party managers (collectively referred to as "Third-Party Service Providers"). In addition, the client will authorize the custodian to follow our instructions as well as instructions given by Overlay Manager to effect transactions, deliver securities, deduct fees and take other actions with respect to the client account. For additional information about discretionary authorization, please refer to Item 16 – Investment Discretion below.

**It is important you read the Disclosure Brochure to the Third-Party Service Providers prior to entering into any agreement to use a Third-Party Service Provider. The Disclosure Brochure contains important information about the fees, services, and conflicts of interests associated with the program and the Third-Party Service Provider.**

If you elect to have your accounts managed on a nondiscretionary basis, no changes will be made to the allocation of your account without prior consultation with you and your expressed agreement. Nondiscretionary is not available when an overlay management strategist or model account management strategy is utilized. There is risk with electing to have your account managed on a non-discretionary basis. The risk is that your Advisory Representative will not be able to conduct transactions in a timely manner. If you have your custom allocated accounts managed on a nondiscretionary basis, your Advisory Representative cannot make changes to the allocations in your account without prior consultation and your expressed agreement. With accounts managed on a nondiscretionary basis, there is an inherent risk your Advisory Representative will not be able to contact you in a timely manner in volatile markets. Your Advisory Representative will not be able to mitigate the effects of sharp market declines in an efficient manner without your expressed permission.

BGAN primarily uses managed models managed by third party managers and exchange traded funds and open-ended mutual funds and no-load and load waived mutual funds using institutional shares or when in the best interest of the client mutual funds purchased at net asset value (NAV). Additionally, managed accounts can include: equity and fixed income securities. However,

managed accounts are not exclusively limited to the aforementioned types of securities and include other securities such as variable products, alternative investments, options, and other securities deemed suitable for your portfolio by the Advisory Representative.

The following third party manager platforms and programs are utilized and will change at the discretion of the management platform adding or deleting managers: Horizon Investments LLC (CRD #109552), Aptus Capital Advisors, LLC (CRD #167626), AllianceBernstein Corporation (CRD#107445), Riverbridge Partners, LLC (CRD #108074), Gryroscope Capital Management Group, LLC (CRD #142672), Legg Mason Private Portfolio Group, LLC (142219), GEMS Management Limited (CRD #132028), W.E. Donoghue & Co., LLC (CRD #285403), Athenainvest Advisors, LLC (CRD #146224), State Street Global Advisors, Ocean Park Asset Management, LLC (CRD #105765), Wilbanks, Smith & Thomas Asset Management, LLC (CRD #106060), Bristol Gate Capital Partners, Inc. (CRD #175139), River Road Asset Management, LLC (CRD #134918), A client can request a current copy of any manager's Form ADV Part 2A upon request. Additionally, a current version of the disclosure brochure is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Transactions in the account, account reallocations and rebalancing often trigger a taxable event, with the exception of IRA accounts, 403(b) accounts and other qualified retirement accounts.

## Financial Planning and Consulting Services

BGAN offers broad-based and modular financial planning services. Financial planning services will typically involve providing a variety of services, principally advisory in nature, to clients regarding the management of their financial resources based upon an analysis of the client's individual needs. BGAN uses financial planning software to assist with determining the client's current financial position and define and quantify long term goals and objectives. The financial planning software will run hypothetical scenarios based on variables to assist a client to determine a course of action. In no way can any program or software predict future results. It is a tool to enable analysis based on historical information to review possibilities that could occur if historical events repeat.

A financial plan will analyze the following areas:

- **Personal:** family records, budgeting, personal liability, estate information and financial goals
- **Tax and Cash Flow:** Income tax and spending analysis and planning for past, current, and future years. BGAN will illustrate the impact of various investments on your current income tax and future liability.
- **Death and Disability:** Cash needs at death, income needs of the surviving dependents, estate planning and disability income analysis
- **Retirement:** Analysis of current strategies and investment plans to help you work toward retirement goals
- **Investments:** Analysis of investment alternatives and their effect on a client's portfolio.
- **Estate Planning:** Advice with respect to property ownership, distribution strategies, disposition of business interest, estate tax reduction, and tax payment techniques as well as discussion of gifts, trusts, etc. Further, a review of death and disability issues

will be examined. Tax consequences and their implications are identified and evaluated.

- **Tax Planning:** Analysis of a financial situation or plan from a tax perspective. The purpose of tax planning is to find tax efficiencies, with the elements of the financial plan working together in the most tax-efficient manner possible.

BGAN will schedule a meeting with you and present the analysis of your situation and recommendations for steps to be taken to assist you to work toward financial goals.

Plans are based on your financial situation at the time and are based on financial information disclosed by you to BGAN. You are advised certain assumptions are made with respect to interest and inflation rates and use of past trends and performance of the market and economy. However, past performance is in no way an indication of future performance. BGAN cannot offer any guarantees or promises that your financial goals and objectives will be met. Further, you must continue to review the plan and update the plan based upon changes in your financial situation, goals, or objectives or changes in the economy. Should your financial situation or investment goals or objectives change, you must notify BGAN promptly of the changes. You are advised the advice offered by BGAN is be limited and is not meant to be comprehensive. Therefore, you should consider seeking the services of other professionals such as an insurance adviser, attorney and/or accountant.

You are not obligated to implement advice through BGAN or Advisory Representatives. Should you implement the plan with BGAN's Advisory Representatives commissions or other compensation is received in addition to the advisory fee paid to BGAN if the products are purchased through the Advisory Representative acting in the capacity as an insurance agent or registered representative of a broker/dealer.

### **Pension Advice for United Kingdom and other Nationals Expatriates**

BGAN provides pension consulting and advice to United Kingdom ("UK") expatriates or other nationals generally residing in the United States who have UK based pension plans. BGAN will gather financial information, goals, and objectives from the client and review the client's pension assets. Upon completion of the review, BGAN will provide the client analysis, explanation, and recommendations about the current pension plan and the suitability and options available to the client. If a recommendation is suitable to the client to transfer such pension assets to a new pension provider and the selection. Generally, transferring assets to other another plan enables the client to have more control and flexibility over their pension assets and more investment options.

Upon client authorization, BGAN will request a statement of benefit from the client's existing UK pension plan administrator or trustee. If suitable and in conjunction with an FCA regulated advisor with the relevant permissions for the transfer of Safe Guarded Benefits and in the client's best interest, BGAN will assist with a transfer of pension assets to a Self-Invested Personal Pension ("SIPP"), a Qualifying Recognised Overseas Pension Scheme ("QROPS"), and/or other applicable plans.



All pension assets are held by a regulated pension trustee (authorized by the relevant financial services regulator where the pension plan is held) and subject to the terms and conditions of a separate agreement between the client and the pension trustee. Such trustees include: STM Group, PLC, London Colonial, ForthPlus, RL360, and Generali. Pension assets are typically managed by the client's selected investment manager and subject to the terms and conditions of a separate management agreement between the client's pension trustee and the investment manager. BGAN will review on a continuous and ongoing basis the allocation of assets among the investment managers and will make recommendations and implement changes as deemed appropriate and in the client's best interest. Clients are strongly encouraged to review the agreement between the client and the pension trustee and other disclosure materials (like Key Features documents) provided by the pension trustee and the investment manager for a full understanding of the services provided and any associated costs therein.

Clients will receive a written assessment and recommendations of their pension review. Additionally, pension plan statements and other reports are generally sent directly to clients on an annual basis (unless requested more frequently) by the selected pension trustee, the custodian of record, and/or others similarly involved with the client pension plan. Clients are encouraged to review such material carefully for a complete understanding of the services offered and the costs associated with the management of such pension plans.

BGAN does not provide tax advice including, without limitation, in relation to any US tax reporting requirements and/or other tax implications arising in relation to clients' pension transfers. BGAN recommends the clients seek their own tax advice, including in relation to procedures under tax treaties between the United States and the UK (or other applicable jurisdiction) for the avoidance of double taxation on their UK/EU pension arrangements.

### **Retirement Plan Consulting Services**

BGAN offers retirement consulting services to employee benefit plans and their fiduciaries. The services are designed to assist the plan sponsor (the "Company") in meeting its management and fiduciary obligations to the plan under ERISA.

BGAN offers consulting services: as a 3(21) investment advisor as defined by ERISA.

- i. Provide non-discretionary investment recommendations to the Client with respect to the Included Assets as defined above in accordance with the Plan's investment policies and objectives. Client shall have the final decision-making authority regarding the initial selection, retention, removal and addition of investment options including the selection of prudent and appropriate share classes.
- ii. Assist the Client with the selection of a broad range of investment options consistent with ERISA section 404(c) and the regulations thereunder. The Client retains the sole responsibility for all other compliance with ERISA section 404(c).
- iii. Assist the Client in the development of an IPS. The IPS establishes the investment policies and objectives for the Plan. Client shall have the ultimate responsibility and authority to establish such policies and objectives and to adopt and amend the investment policy statement.
- iv. Assist in monitoring investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformity to



## Beacon Global Advisor Network, LLC

- the guidelines set forth in the IPS and make recommendations to maintain or remove and replace investment options.
- v. Meet with Client at least annually to review plan reports and the investment recommendations, and more frequently at the discretion and agreement of the Advisor and Client.
  - vi. Provide non-discretionary investment advice to the Plan Sponsor with respect to the selection of a QDIA for participants whom no investment selection has been made. The Client retains the sole responsibility to provide all notices to participants required under ERISA section 404(c)(5).
  - vii. Advisor will provide investment advice to participants in group settings.

In addition to the fiduciary services provided above, BGAN performs certain non-fiduciary services for employee benefit plans and their fiduciaries. In those instances, BGAN offers the following services:

- i. Assist in the education of the participants in the Plan about general investment principles and the investment alternatives available under the Plan. Client understands that Advisor's assistance in participant investment education shall be consistent with and within the scope of (d) (i.e., the definition of investment education) of Department of Labor Interpretive Bulletin 96-1.
- ii. Assist in the group enrollment meetings designed to increase retirement plan participation among employees and investment and financial understanding by the employees.
- iii. Offer services to plan participants regarding assets outside the plan. These services will be governed by agreements directly with the participant and considered outside the scope of this Agreement. It is understood and will be communicated to the participant that the Client does not specifically endorse these services. Costs of these services vary from those charged inside the Plan and will be based on the scope and complexity of each participant's situation.

BGAN will not be required to verify the accuracy or consistency of any information received from the Company.

BGAN and its supervised persons will serve in a nondiscretionary ERISA fiduciary capacity with respect to some but not all of the services that we provide which will be further explained in the written agreement we sign with the Company. The Company is always free to seek independent advice about the appropriateness of any recommendations made by BGAN.

### General Information

Investment recommendations and advice offered by BGAN are not legal advice or accounting advice. You should coordinate and discuss the impact of financial advice with your attorney and/or accountant. You are advised that it is necessary to inform BGAN promptly with respect to any changes in your financial situation and investment goals and objectives. Failure to notify BGAN of any such changes could result in investment recommendations not meeting your needs.

- C. BGAN tailors the advisory services it offers to your individual needs. You may impose restrictions and/or limitations on the investing in certain securities or types of securities.

Services will begin with an initial consultation and data gathering. Your Advisory Representative will ask you various questions about your financial situation and request certain documents about your financial accounts. You may be asked to complete a fact finder or data gathering document. The information gathered by BGAN will assist BGAN to provide you with the requested services and customize the services to your financial situation. Depending on the services you have requested, BGAN will gather various financial information and history from you including, but not limited to:

- Retirement and financial goals
- Investment objectives
- Investment horizon
- Financial needs
- Cash flow analysis
- Cost of living needs
- Education needs
- Savings tendencies
- Other applicable financial information required by BGAN in order to provide the investment advisory services requested.

### **IRA Rollover Considerations**

As part of our consulting and advisory services, we offer you recommendations and advice concerning your employer retirement plan or other qualified retirement account. Our recommendations can include you consider withdrawing the assets from your employer's retirement plan or other qualified retirement account and roll the assets over to an individual retirement account ("IRA"). Further, we offer our management services be applied to those funds and securities rolled into an IRA or other account for which we will receive compensation. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as described above under Item 5. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation. You are under no obligation, contractually or otherwise, to complete the rollover. Furthermore, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by us.

It is important for you to understand many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of each.

An employee will typically have four options:

1. Leave the funds in your employer's (former employer's) plan.
2. Move the funds to a new employer's retirement plan.
3. Cash out and taking a taxable distribution from the plan.
4. Roll the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage it is important you understand the following:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
  - a. Employer retirement plans generally have a more limited investment menu than IRAs.
  - b. Employer retirement plans often have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
  - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
  - b. You should understand the various products and services you might take advantage of at an IRA provider and the costs of those products and services.
  - c. It is likely you will not be charged a management fee and will not receive ongoing asset management services unless you elect to have such services. In the event your plan offers asset management or model management, there may be a fee associated with the services that is more or less than our asset management fee.
3. Our strategy can have higher risk than the option(s) provided to you in your plan.
4. Your current plan may offer financial advice, guidance, and/or model management or portfolio options at no additional cost.
5. If you keep your assets titled in a 401k or retirement account, you could delay your required minimum distribution beyond age 70.5 (70 ½).
6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
  - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

- D. **Wrap Program.** BGAN offers two wrap fee programs as further disclosed and described in the Form ADV Part 2A Appendix 1. A wrap program is a program where the client pays one fee which includes the management fee and transaction charges. There is no difference between how wrap fee and non-wrap fee accounts are managed. Further, the maximum fee charged for a wrap or a non-wrap program is the same. However, the Advisory

Representatives at their discretion can discount the fee on a wrap program. Our Advisory Representatives determine a client's fee based on the maximum fees disclosed under Item 5 and in the Form ADV Part 2A Appendix 1. Therefore, it should not be assumed that a wrap program will cost more or less than a non-wrap program. The fee structure charged by your Advisory Representative could be higher than a fee structure charged by another BGAN Advisory Representative.

- E. **Assets Under Management.** As of March 4, 2019, BGAN has \$121,360,661 of discretionary assets under management and \$107,353,065 assets under non-discretionary management.

## Item 5 - FEES AND COMPENSATION

### General Disclosure

As stated under Item 4, BGAN consists of a group of independent contractors who are registered or licensed with BGAN as Advisory Representatives offering the advisory services and programs outlined in this Form ADV Part 2A. While no Advisory Representative can exceed the fees schedules outlined below, each Advisory Representative can negotiate and charge an advisory fee based on the fee schedules below. The amount of the fee is not commensurate with education or tenure in the industry. Therefore, there are another BGAN Advisory Representative who charges more or less than the fee you are being charged for similar services.

Your Advisory Representative has a direct interest in the fee charged to you since BGAN will pay a portion of the advisory fee charged to you to your Advisory Representative.

The advice provided by Advisory Representatives often involves recommendations to invest assets according to an asset allocation primarily involving mutual funds, exchange traded funds, stocks, bonds, and other types of securities. Recommendations include investing into various share classes. Different share classes of securities involve different fee structures and internal costs. Institutional shares are often the least expensive from an internal cost perspective; however, the transaction fees can be higher. It is important you understand the internal cost structure of the various share classes. Additional information about costs and the various share classes can be found in the prospectus.

Registered investment company securities such as mutual funds, and variable products offer the securities in various share classes. Different share classes are priced differently and share classes other than institutional share classes will involve higher internal costs that over time will cost you more. Institutional share classes often have higher trading costs. A client needs to consider the amount being invested and the length of anticipated holding to make a decision as to the share class most suitable to the client. Please read the disclosures under Item 10 below for important information about the advice and recommendations offered by advisory representatives and registered representatives. Representatives will select the lowest share class funds available and appropriate to the situation. However, in selecting the lowest share class, trading costs are sometimes higher. Selecting the lowest share class appropriate to the situation does not imply the lowest cost share class but means what the Representative deems lowest cost for the situation. Representatives consider the anticipated holding period, cost structure, and administrative and transaction costs associated with selecting a share class. However, there is no way to predict the

future and there could be occasions where a holding is liquidated sooner or held longer resulting in higher costs to the client. Additional information about share classes can be found in an Investor Alert issued by the Securities and Exchange Commission at <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes> and <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes>. Additionally, the SEC and FINRA provides investor information at [www.sec.gov](http://www.sec.gov) and [www.finra.org](http://www.finra.org).

## Asset Management Services

### A. Fee Schedules

Fees are negotiable and are not based on a share of capital gains upon or capital appreciation of the funds or any portion of the funds.

You may make additions to the Account or withdrawals from the Account. Additional assets deposited into the Account after it is opened will be charged a pro-rata fee based upon the number of days remaining in the then current calendar quarter. Additionally, partial withdrawals from the account will result in a prorated portion of the fee being credited to the Account. Fee adjustments for inflows and outflows in accounts charged based on the average daily balance will be factored into the quarterly fee using the average daily value of the account. No fee adjustments will be made for Account appreciation or depreciation.

AR = Advisory Representative

Fee Breakpoint Levels	Advisor Directed Maximum Advisory Fee*	Unified Managed Assets Pathways I**				
		AR Fee	BGAN Program Fee	Pathways I Program Fee	Custodian Asset Based fee	Maximum Total Fee
Up to \$250,000	2.75%	1.75%	0.15%	0.35%	0.10%	2.35%
\$250,000 to \$500,000	2.00%	1.50%	0.15%	0.35%	0.10%	2.10%
\$500,001 to \$1,000,000	1.75%	1.20%	0.15%	0.35%	0.10%	1.80%
\$1,000,001 to \$3,000,000	1.50%	1.00%	0.15%	0.35%	0.10%	1.60%
Over \$3,000,000	1.00%	0.45%	0.15%	0.35%	0.10%	1.05%

\*Advisor Directed managed accounts do not pay a custodian asset-based fee. Instead, the client will pay custodian transaction charges in accordance with the custodian's transaction fee schedule for each transaction. The custodian offers some securities, a limited number of open-ended mutual funds and exchange traded fund, at no transaction fee. However, the security positions will be subject to a holding period or the client will incur early redemption fees which could be substantial in comparison to a transaction fee.

Additionally, BGAN offers a Unified Managed Accounts (UMA) Program referred to as Unified Managed Assets Pathways II for accounts less than \$200,000 utilizing model accounts managed by third-party strategists consisting of mutual funds and exchange traded funds. Fees for UMA Pathways II are as follows:

AR = Advisory Representative

Fee Breakpoint Levels	Unified Managed Assets Pathways II Program**				
	AR Fee	BGAN Program Fee	Pathways II Program Fee***	Custodian Asset Based fee	Maximum Total Fee
Up to \$250,000	1.75%	0.15%	0.12%- 0.15%	0.10%	2.15%
\$250,000 to \$500,000	1.50%	0.15%	0.12%- 0.15%	0.10%	1.90%
\$500,001 to \$1,000,000	1.20%	0.15%	0.12%- 0.15%	0.10%	1.60%
\$1,000,001 to \$3,000,000	1.00%	0.15%	0.12%- 0.15%	0.10%	1.40%
Over \$3,000,000	0.45%	0.15%	0.12%- 0.15%	0.10%	0.85%

\*\*\*The UMA Pathways II Program fee ranges from 12 basis points for accounts using one model up to 15 basis points for accounts using more than one model.

### Aptus Capital Advisors, LLC Fee Schedule

AR = Advisory Representative

Fee Breakpoint Levels	AR Fee	BGAN Program Fee	Maximum Total Fee
Up to \$250,000	2.20%	0.15%	2.35%
\$250,000 to \$500,000	1.50%	0.15%	1.65%
\$500,001 to \$1,000,000	1.20%	0.15%	1.35%
\$1,000,001 to \$3,000,000	1.00%	0.15%	1.15%
\$3,000,001 and above	0.45%	0.15%	0.60%

There is not an additional fee charged by Aptus. Instead, Aptus is compensated based on receipt of internal fund costs of the Aptus funds in the models. Disclosure of the costs and expenses associated with the mutual funds and exchange traded funds is contained in the prospectus. The costs of the mutual funds and exchange traded funds could be higher or lower than other securities available.

**\*\*For additional information about how and when the custodian and UMA Program sponsor calculate and deduct their fees, please refer to the program disclosures and application.**

### SMARtX Advisory Solutions, LLC (SMARtX)

Fee Breakpoint Levels	AR Fee	BGAN Program Fee	Max Manager & Platform Fee*	Custodian Asset Based fee**	Maximum Total Fee
Up to \$250,000	1.75%	0.15%	0.80%	0.10%	2.80%
\$250,000 to \$500,000	1.50%	0.15%	0.80%	0.10%	2.55%
\$500,001 to \$1,000,000	1.20%	0.15%	0.80%	0.10%	2.25%
\$1,000,001 to \$3,000,000	1.00%	0.15%	0.80%	0.10%	2.05%
Over \$3,000,000	0.45%	0.15%	0.80%	0.10%	1.50%

\*Each manager in the model portfolio charges an advisory fee for management of their portion of the portfolio. Manager fees in the BGAN models range up to 0.55%. Therefore, depending on the

manager fees in the selected portfolio(s), the client's Manager and Platform Fee will be less. The BGAN Balanced Portfolio does not have a separate manager fee. In addition to the manager fee, SMARtX charges a platform fee of 0.25%. The fee reflected under the Manager & Platform Fee column is the maximum fee that will be charged.

**\*\*All portfolios except the BGAN Balanced Portfolio will be charged asset-based pricing to cover transaction costs occurring in your managed portfolio. The BGAN Balanced Portfolio has low transaction charges. Consequently, it is more cost effective for the client to pay transactions charges based on transactions executed. In certain securities purchased and sold in the BGAN Balanced Portfolio, there will be at no transaction costs.**

BGAN calculates and withdraws from client accounts the AR fee and the BGAN Program fee as stated below. SMARtX calculates and withdraws the manager fees and the SMARtX platform fee. The account custodian calculates and withdraws the custodian asset-based fee or transaction charges.

### **Fee Formula Calculation**

The following fee details are for the BGAN Advisor and BGAN Program fee. Asset based pricing is calculated by the account custodian. Therefore, the fees for the following sub-advisers are billed and calculated in accordance with their Form ADV Part 2A disclosure brochure.

- Fees for the UMA Pathways I and Pathways II (together referred to as the UMA Pathways Programs)
- The custodian asset-based fee is calculated by the custodian. There is a minimum of \$100 annual fee per year per account. Additional information about asset-based pricing can be found in the custodian application
- The advisory fees for the various managers or sub-advisors of the BGAN portfolios on the SMARtX platform are calculated by the sub-advisors for SMARtX.
- The SMARtX platform fee is calculated by SMARtX.

The following is specific to the BGAN Advisor and BGAN platform fee.

- The fee formula used to calculate your quarterly BGAN advisory fee is as follows.  
$$\text{Value of the account} \times \text{percentage fee} \times \# \text{ of days in quarter} / \# \text{ of days in the year}$$

Note: Advisory Representatives entering into agreements with clients prior to August 1, 2019 had the option to have fees calculated based on the calendar quarter ending value. As of August 1, 2019, clients entering into an advisory agreement with BGAN will have advisory fees are calculated based on the average daily balance.

Your Advisory Representative will have the discretion to determine:

- **How the fee will be determined**

*Option A:* A flat quarterly fee will be calculated based on the value of each account registration under management (e.g. you have four accounts, therefore, each account is charged a fee based on the account value based on the negotiated fee schedule).

*Option B:* A flat quarterly fee will be calculated based on the aggregated or householded value of all managed accounts for the household.



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For example, if you have four managed accounts with a value as of the just completed calendar quarter of: \$101,569.40, \$55,498.46, \$675,879.50, and \$74,301.12 with a total value of \$907,248.48, you will not pay a fee on the managed accounts greater than 1.75%.

- **Valuation of the account for purposes of calculating the fee and fee structure**

BGAN Advisor and BGAN Program fees will be determined and calculated based on the average daily balance of the account for the calendar quarter.

The fee will be a flat fee based on the average daily balance of the account each calendar quarter.

- **Fee timing**

*Option A:* In advance of each calendar quarter.

*Option B:* In arrears of each calendar quarter.

BGAN can change the above fee schedule upon 30-days prior written notice to you.

B. *Collection of Advisory Fees.* Advisory fees are collected directly from your account, provided you have given BGAN written authorization. Written authorization is granted to BGAN by execution of the client advisory agreement. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, BGAN has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees. You may reimburse the account for advisory fees paid to BGAN, except for ERISA and IRA accounts.

C. *Additional Fees and Costs.* In addition to the advisory fees above,

- Transactions in the Adviser Directed program you (the client) will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule.
- Clients participating the UMA Pathways Programs (I and II) will pay an asset-based custodian fee as disclosed in the fee schedules above.
- Clients participating in the SMArtX program will pay an asset-based custodian fee, except in the BGAN Balanced portfolio. Clients with managed assets in the BGAN Balanced portfolio will pay actual transaction costs. Certain securities in the portfolio trade at no transaction cost. However, the custodian subjects such transactions to a holding period.
- Additionally, you will pay fees for custodial services, account maintenance fees, transaction fees (except in a wrap account), and other fees associated with maintaining the Account. Such fees are not charged by BGAN and are charged by the product, broker/dealer or account custodian. BGAN does not share in any portion of such fees. Additionally, you will pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any mutual fund purchased. Such advisory fees are not shared with BGAN and are compensation to the fund-manager.

**D. Termination Provisions.**

You may terminate investment advisory services obtained from BGAN, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with BGAN. You will be responsible for any fees and charges incurred from third parties as a result of maintaining the Account such as transaction fees for any securities transactions executed and Account maintenance or custodial fees. Thereafter, you can terminate investment advisory services upon delivery to BGAN and your Advisory Representative of your written notice to terminate.

- **Fees Paid in Advance:** Should you terminate investment advisory services during calendar quarter, you will be issued a pro-rated refund of the advisory fee from the date of termination to the end of calendar quarter if fees are charged in advance.
- **Fees Paid in Arrears:** Should you terminate or transfer funds and securities out of the account prior to the end of the calendar quarter, you will be charged a prorated advisory fee for the quarter up to the date of termination. In the event you transfer the account and no funds or securities remain in the account for BGAN to deduct its advisory fee, you will be sent a fee invoice. Fee invoices must be paid within 30 days of the date of the invoice or late fees of \$15 per 30 days after the date of the invoice will be charged plus interest of 18% per annum will be assessed until the invoice is paid in full.

### Financial Planning and Consulting Services

Fees for planning services are strictly for planning services. Therefore, you will pay fees for additional services obtained such as asset management. It is your Advisory Representatives discretion whether or not to waive a portion or all of any financial planning or consulting fee if you implement advice through your Advisory Representative and participate in an asset management program or service.

Fees are negotiable. Your fees will be dependent on several factors including time spent with the Advisory Representative, number of meetings, complexity of your situation, amount of research, services requested and staff resources, and your Advisory Representative.

<b>Fee Type</b>	<b>Maximum Fee</b>	<b>Payable</b>
Fixed Fee	\$10,000	<p>A fee payment schedule will be negotiated and agreed upon between you and your Advisory Representative prior services beginning and will be outline in the client advisory agreement. Fees are be:</p> <ol style="list-style-type: none"> <li>1. Payable one-half (1/2) upon execution of the advisory agreement with BGAN and the balance due at the time of presentation of the plan or recommendations;</li> <li>2. Quarterly installments with the full amount due upon presentation of the plan or recommendations; or</li> <li>3. Due in full at the time of presentation of the plan or recommendations.</li> </ol>
Hourly Fee	\$300 per hour	Payable as invoiced by BGAN.

### Termination Provisions

You may terminate advisory services obtained from BGAN, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with BGAN. Thereafter, you may terminate investment advisory services with 30-days written notice to BGAN. You will be responsible for any time spent by BGAN.

### **Pension Advice for United Kingdom and other Nationals Expatriates**

Clients will pay an initial fee covering time and services for planning, advice, consultation, and review and establishment of a Self-Invested Personal Pension (“SIPP”) and Qualifying Recognised Overseas Pension Scheme (“QROPS”), and/or other applicable plans. The initial fee is deducted directly from the value of the assets transferred, unless paid by the client separately and directly to the SIPP Trustee. The flat fee covers, among other things: the BGAN and advisory representatives working with the U.K. pension company to obtain the U.K. pension plan valuation; meetings with client to discuss potential pension transfer options; working with the U.K. regulated adviser where necessary; and, if in the best interests of the client, and assisting Client on the final steps to transfer the pension to the SIPP.

In addition to the initial fee, the client will pay a fee to an UK registered Advisor to prepare the UK Suitability Report, which can be up to \$3,500, depending on the UK Advisor and the number of UK pension assets. The fee is paid direct to the UK Advisor for the report and is not determined or set by BGAN or shared with BGAN or its advisory representatives. UK pension transfers with safeguarded benefits in excess of £30,000 are subject to review by a UK regulated adviser, unaffiliated with BGAN, which will analyze whether the proposed UK pension transfer to the SIPP is in the best interests of the client.

When the UK Suitability Report (“UK Report”) is requested, the Report Fee is paid upfront to the UK regulated adviser by the SIPP Trustee. Following the completion of the UK Report, if Client decides to proceed with the pension transfer, Client in writing authorizes the SIPP Trustee to deduct the Report Fee directly from the pension asset once the transfer to the SIPP has been completed. In the event that Client does not proceed with the transfer to the SIPP, the Report Fee is expensed to the BGAN advisory representative by the SIPP Trustee, and the advisory representative bears the total cost of the UK Report.

After pension assets are transferred, client will pay an ongoing annual fee for monitoring, advice, consultation, and management on the investments and allocation of assets. Fees are negotiable and will be determined based on several factors including size of the pension assets, services being provided to the client, complexity of the situation, and consultations.

#### **Initial Fee:**

- Maximum fee not to exceed 5% of the pension assets transferred.
- The initial fee will be due either:
  - 1) in full upon the decision to transfer assets and funds to a SIPP and QROPS; or
  - 2) paid over a period of years as agreed by the client but not to exceed ten years. If the client elects to finance the initial fee over a period of years specified by the client through issuance of an insurance bond, the client will be charged a fee for

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the insurance bond by the trustee. Therefore, there is a cost to financing the initial fee over a period of years rather than paying the entire fee upon transfer of the pension assets. However, the trade off is the full amount of the client's transferred pension assets will be invested. BGAN does not share in the insurance bond fee over and above the advisory fees referenced below. It is important for clients to understand financing the initial fee will increase the costs. A portion of the fee is assessed monthly or quarterly, in arrears, depending on the trustee.

- In the United States the Securities and Exchange Commission requires investment advisers to disclose that when fees exceed 3% the fees are considered excessive in comparison to fees charged by other investment advisers for similar services. BGAN's maximum fee of 5% has been established based on other investment advisers offering similar services in the United States and the time and resources need for the initial evaluation and planning process.

Fee Breakpoint Levels	Maximum Initial Advisory Fee %
£0- £250,000	5.0%
£250,001- £1,000,000	4.5%
£1,000,000 +	3.5%

### Annual Fee:

- SIPP and QROPS accounts will be charged an annual fee not to exceed 1.50% annually. The annual fee will begin upon completion of the transfer.
- Depending on the SIPP or QROPS provider, fees will be deducted from the account on either a bill period of either: 1) calendar quarterly basis or 2) monthly basis in arrears.
- Fees will be calculated based on the value of the account on the last business day of the billing period (i.e. calendar quarter or monthly) and will be charged in arrears. Fees for partial billing periods will be prorated based on the number of days in the billing period.

Advisory fees will generally be collected directly from your account, provided you have given BGAN written authorization. Written authorization is granted to BGAN by execution of the client advisory agreement. You will be provided with an account statement reflecting the deduction of the advisory fee direct from the account custodian. If the Account does not contain sufficient funds to pay advisory fees, BGAN has limited authority to sell or redeem securities in sufficient amounts to pay advisory fees.

### Discretionary Manager or Third-Party Asset Manager:

A discretionary manager (DM) or also referred to as third party asset manager such as Novia Global and Capital International Group can be engaged to manage some or a portion of the SIPP assets. The DM will charge a fee up to 0.75% on the portion of assets allocated to the DM. Therefore, annual asset management fees can be 2.25% (i.e. 1.50 maximum BGAN fee plus 0.75% to the DM).

Additionally, such advisory fees are not shared with BGAN and are compensation to the fund-manager.

*Additional Fees and Costs.* In addition to the advisory fees above, you will pay transaction fees for securities transactions executed in your account in accordance with the custodian's transaction fee schedule. Additionally, you will pay fees for custodial services, account maintenance fees, transaction fees, and other fees associated with maintaining the Account. BGAN does not share in any portion of the aforementioned fees. The underlying investments in the SIPP will have internal costs that typically do not exceed 0.5%. This cost is borne by the investor and you will pay your proportionate share of the fund's management and administrative fees and sales charges as well as the mutual fund adviser's fee of any exchange traded fund, mutual fund, or Undertakings for the Collective Investment in Transferable Securities (UCITS) purchased. Such fees are not charged by BGAN and are charged by the product, broker/dealer, trustee, or account custodian. BGAN does not share in any portion of such fees. Such advisory fees are not shared with BGAN and are compensation to the underlying fund manager.

#### Termination Provisions

You may terminate investment advisory services obtained from BGAN, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with BGAN. You will be responsible for any fees and charges incurred from third parties as a result of transferring and/or maintaining the account such as transaction fees for any securities transactions executed and account maintenance or custodial fees. Thereafter, you may terminate investment advisory services upon delivery to BGAN and your Advisory Representative of your written notice to terminate.

- a. If termination occurs prior to the initiation of the transfer of pension assets, clients will be responsible for time and third-party expenses incurred such as the FCA report which can cost up to \$2,000.
- b. If review, advice, and/or analysis of Client's United Kingdom pension has been initiated, Client will not be entitled to a prorated refund of the initial fee. The initial fee covers Adviser's time and review of the pension assets and Client's financial situation.
- c. Client will be responsible for and agrees to pay a prorated portion of the annual fee based upon the number of days in the quarter up to Adviser's receipt of Client's written notice to terminate (the "termination date").

#### **Retirement Plan Consulting Services**

Your Advisory Representative will negotiate a fee with you based on the fee schedule below. Fees can be a fixed fee or a fee based on a percentage of plan assets. The fee schedule and the fee are negotiable.

**Fixed Fee:** Maximum annual fee of \$20,000. Fees will be paid quarterly in advance or arrears as agreed by client.

**Percentage of Plan Assets:** Annual fee will not exceed 2%. Fees will be calculated at the end of the calendar quarter based on the value of plan assets as valued by the qualified custodian. Fees will be due quarterly in arrears or advance as agreed by the client.

#### Termination Provisions

You may terminate investment advisory services obtained from BGAN, without penalty, upon written notice within five (5) business days after entering into the advisory agreement with BGAN. Thereafter, you may terminate investment advisory services upon delivery and your Advisory

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Representative's receipt of written notice to terminate. Should you terminate investment advisory services during calendar quarter, you will be issued a pro-rated refund of the advisory fee from the date of termination to the end of calendar quarter if fees are charged in advance or charged a prorated advisory fee up to the date of termination if fees are charged in arrears.

### **Item 6 - PERFORMANCE-BASED FEES AND SIDE BY SIDE MANAGEMENT**

This section is not applicable to BGAN. BGAN does not charge performance-based fees.

### **Item 7 - TYPES OF CLIENTS**

BGAN's services are geared toward individuals both high net worth (i.e. clients with a net worth of \$2,000,000, exclusive of primary residence or has \$1,000,000 under management with BGAN) and other than high net worth. Additionally, BGAN's services are suitable for businesses, pension and profit-sharing plans, and trusts. Furthermore, BGAN offers tailored advisory services involving pension transfer services to British expatriates living in the United States as further described in Item 4 and Item 5 above.

#### UMA Programs

The Unified Managed Assets Pathways I Program (Pathways I) and the Unified Managed Assets Pathways II Program (Pathways II) have minimum account size guidelines depending on the Third-Party Service Providers and models used and applied on the account. The Pathways I Program is more suitable for accounts over \$200,000 and the Pathways II Program is more suitable for accounts less than \$200,000.

#### Aptus Capital Advisors

The minimum account size for participation in the Aptus management program is \$50,000.

#### SMArtX Advisory Solutions, LLC (SMArtX)

The minimum account size requirements are driven by the various sub-advisors or managers in the portfolios. The minimums for the BGAN portfolios are as follows:

BGAN Aggressive Portfolio	\$200,000
BGAN Balanced Portfolio	\$75,000
BGAN Conservative Income	\$60,000
BGAN Fixed Income	\$80,000
BGAN Moderate Growth	\$200,000
BGAN Tax Advantaged Balanced	\$71,428
BGAN 20% Fixed Income / 80% Equity	\$400,000
BGAN 40% Fixed Income / 60% Equity	\$461,539
BGAN 60% Fixed Income / 40% Equity	\$454,545

**Item 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

- A. Each Advisory Representative conducts their own analysis to determine the securities and asset allocations they will use in a client's portfolio. They will use a variety of resources to gather information including but not limited to newspapers, magazines, due diligence visits and interviews with vendors, product literature and prospectuses, asset allocation programs and software. Advisory Representatives conduct economic analysis to attempt to analyze and determine trends as well as fundamental analysis. Fundamental analysis generally involves looking at economic and financial factors. Additionally, they will assess a company's or security's value based on factors such as sales, assets, markets, management, products and services, earnings, and financial structure. Some Advisory representatives employ technical market analysis and technical trend following. Technical analysis generally involves studying trends and movements in a security's price, trading volume, and other market-related factors in an attempt to discern patterns.

BGAN conducts due diligence on third party managers and has minimum criteria for approval of a third-party manager on its platform.

Depending on the needs of the client and the investment philosophy of the Advisory Representative, long term, short term and active trading strategies will be utilized. Factors that result in a change to a client's portfolio include but are not limited to, economic factors, management changes with the security, tax law changes, objective change, and news or press releases, and financial changes with the client.

- B. BGAN emphasizes that investment returns, particularly over shorter time periods, can be highly volatile and are dependent on a wide variety of factors. Thus, our investment management services are generally suitable only for long-term investment objectives or strategies, rather than for short-term trading purposes. Neither diversification nor asset allocation assure a profit or protect you against a loss, and there is no guarantee that your investment objectives will be achieved.

You are advised investing in securities involves risk of loss, including the loss of principal. Therefore, your participation in any of the management programs offered by BGAN will require you to be prepared to bear the risk of loss and fluctuating performance.

BGAN does not represent, warrant or imply that the services or methods of analysis used by BGAN can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to major market corrections or crashes. Past performance is no indication of future performance. No guarantees can be offered that your goals or objectives will be achieved. Further, no promises or assumptions can be made that the advisory services offered by BGAN will provide a better return than other investment strategies.

- C. BGAN primarily uses mutual funds, exchange traded funds, individual equities and fixed income securities, and third-party service providers. The following are some of the primary



risks associated with the securities and strategies utilized. Please do not hesitate to contact us to discuss these risks and others in more detail.

Mutual fund fees are described in the fund's prospectus, which the custodian mails directly to the client following any purchase of a mutual fund that is new to the client's account. In addition, a prospectus is available online at each mutual fund company's Web site. At the client's request at any time BGAN will direct the client to the appropriate Web page to access the prospectus. The risks with mutual funds include

- Manager Risk: which is the risk that an actively managed mutual fund's investment adviser will fail to execute the fund's stated investment strategy.
- Market Risk: which is the risk that the Stock Market will decline, decreasing the value of the securities contained within the mutual funds we recommend to you.
- Industry Risk: which is the risk that a group of stocks in a single industry will decline in price due to adverse developments in that industry, decreasing the value of mutual funds that are significantly invested in that industry.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the mutual fund.

Registered investment company securities such as mutual funds, and variable products offer the securities in various share classes. Different share classes are priced differently and have varying levels of internal costs and share classes other than institutional share classes will involve higher internal costs that over time will cost you more. Institutional share classes often have higher trading costs; however, the internal costs of the fund are lower. Over a period of time, share classes other than institutional shares will become more expensive if held in the account for a long period time. A client needs to consider the amount being invested and the length of anticipated holding to make a decision as to the share class most suitable to the client. Advisory Representatives will select the lowest share class funds available and appropriate to the situation. However, in selecting the lowest share class, trading costs are sometimes higher. Selecting the lowest share class appropriate to the situation does not imply the lowest cost share class but means what the Advisory Representative deems lowest cost for the situation. Advisory Representatives consider the anticipated holding period, cost structure, and administrative and transaction costs associated with selecting a share class. However, there is no way to predict the future and there will be occasions where a holding is liquidated sooner or held longer resulting in higher costs to the client. Additional information about share classes can be found in an Investor Alert issued by the Securities and Exchange Commission at <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes> and <https://www.investor.gov/additional-resources/news-alerts/alerts-bulletins/investor-bulletin-mutual-fund-classes>. Additionally, the SEC and FINRA provides investor information at [www.sec.gov](http://www.sec.gov) and [www.finra.org](http://www.finra.org).

ETFs are professionally managed pooled vehicles that invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities or any combination thereof. ETFs trade on an auctionable market. Therefore, there is more price fluctuation with ETFs than with mutual funds since ETFs trade throughout the day, whereas mutual funds are priced once a day. Also, since most ETFs only mirror a market index, such as the S&P 500, they won't outperform the index. While ETFs generally provide diversification, risks can be significantly increased for funds concentrated in a particular sector of the market, or that primarily invest in small cap or speculative companies, use leverage (i.e. borrow money) to a

significant degree, or concentrate in a particular type of security rather than balancing the fund with different types of securities.

The risks with stocks are prices fluctuate throughout the day. Stocks can drop in value and become worthless. The risks with stocks are market risk and company specific risk. The price of a stock can decline due to company-specific reasons as well as the health of the overall stock market. Even dividends, which many beginning investors believe are guaranteed payments by the company, can decline or be totally eliminated. Investing in micro, small or mid-sized companies involve risks not associated with investing in more established companies. Since equity securities of smaller companies do not always trade as often as equity securities of larger, more established companies, it is be difficult or impossible for the securities to sell.

Bonds – Investing in bonds involves the assumption of risk including:

- Interest Rate Risk: which is the risk that the value of the bond investments we recommend to you will fall if interest rates rise.
- Call Risk: which is the risk that your bond investment will be called or purchased back from you when conditions are favorable to the bond issuer and unfavorable to you.
- Default Risk: which is the risk that the bond issuer is unable to pay you the contractual interest or principal on the bond in a timely manner or at all.
- Inflation Risk: which is the risk that the rate of price increases in the economy deteriorates the returns associated with the bond.

Please refer to the third-party service provider's Form ADV and associated disclosure documents for details on their investment strategies, methods of analysis and associated risks. The risks with utilizing third party managed programs include:

- Market and economic risk.
- The risk the third-party manager is not managing to the objective or managing based on the stated strategy.
- The risk the securities managed by the third-party manager will decline or fluctuate impacting the overall performance of the portfolio.
- The risk that the performance of the portfolio will be diminished by the fees of the third-party manager and expenses associated with the securities.

### *Risks*

The business of investing in securities is highly competitive and the identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. Varied fluctuations in the price of investments are a normal characteristic of securities markets due to a variety of influences. Managed account programs should be considered a long-term investment and thus long-term performance and performance consistency are the major goals.

### *Tax Risk*

Income tax costs result from the sale of individual securities within your account, unless the account is otherwise tax sheltered or tax deferred. Income tax costs directly reduce investment returns. Under the current income tax system, securities held less than one year that are sold at a gain (short term capital gains) are taxed at the client's highest marginal tax rate, and securities held greater than one year that are sold at a gain (long term capital gains) are taxed at a reduced long-term capital gains rate. Furthermore, the Alternative Minimum Tax (AMT)

impact of long and short-term capital gains incurred in the tax year in question should be considered. Client is responsible for all tax liabilities arising from the sale of securities within the account.

International investing presents certain risks not associated with investing solely in the United States. These include, for instance, risks relating to fluctuations in the value of the U.S. dollar relative to the values of other currencies, custody arrangements made for foreign holdings, political risks, differences in accounting procedures and the lesser degree of public information required to be provided by non- U.S. companies.

Investing in emerging markets involves greater risk than investing in more established markets. Such risks include exchange rate changes, political and economic upheaval, the relative lack of information about these companies, relatively low market liquidity, and the lack of strict financial and accounting controls and standards.

Investing in fixed income securities involves special risks not typically associated with equity securities. These risks include credit risk, which is the risk of loss due to the inability to meet contractual debt obligations, and interest rate risk, which is the risk that an investment's value will change due to a change in the level of interest rates. Additionally, there is an inverse relationship between bond prices and interest rates specific to fixed income securities. As interest rates rise, bond prices fall and, conversely, as interest rates fall, bond prices rise.

Long-term purchases – Using a long-term purchase strategy generally assumes the Financial Markets will go up in the long-term which is not always the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall Financial Markets advance. Purchasing investments long-term creates an opportunity cost - “locking-up” assets that is better utilized in the short-term in other investments.

Active Trading – frequent trading of securities; explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes

Fundamental Analysis does not attempt to anticipate market movements. This represents a 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 security. The success of this strategy depends in large part on the ability to accurately assess the fundamental value of securities. An accurate assessment of fundamental value deepens on a complex analysis of a number of financial and legal factors. No assurance can be given that we can assess the nature and magnitude of all material factors having a bearing on the value of securities.

Quantitative Analysis: The risk of the analysis using mathematical and statistical modeling is that they are not accurately predict future investment patterns. Day to day changes in the market prices of investments follow random patterns and are not predictable with any reliable degree of accuracy.

Qualitative Analysis: The risk of analysis using more subjective criteria is that the information obtained to make the analysis is inaccurate and skews the analysis. In addition, measuring (or

weighting) the criteria will likely be inconsistent from one analysis to another and could adversely affects the investment decisions.

No investment strategy can avoid loss. Investing in securities involves risk of loss that you need to be prepared to bear.

#### **Item 9 - DISCIPLINARY INFORMATION**

Investment Advisers must disclose any legal or disciplinary events that would be material to your evaluation of BGAN or the integrity of our services.

In May of 2009, the Financial Industry Regulatory Authority (FINRA) alleged Joseph Gruber violated NASD Rule 2110 by permitting his unregistered assistant to complete the firm element web-based continuing education session by logging into the system as him by use of his username and password. FINRA issued an Acceptance, Waiver & Consent (AWC) and ordered a fine and suspension in all capacities for a period of three months ending August 31, 2009.

#### **Item 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

- A. As previously stated, certain supervised persons and Advisory Representatives are associated or dually registered as advisory representatives of BGAN and as registered representatives of a broker/dealer, Regulus Advisors, LLC. For specific information regarding whether or not your Advisory Representative maintains multiple registrations with different entities and information about the broker/dealer with which your Advisory Representative is registered please refer to your Advisory Representative's Form ADV Part 2B Item 2 and 4 disclosures. It is important to understand investment advisers have a fiduciary obligation to provide advice and services through the investment adviser that are in the best interest of the client. However, when advisory representatives act in the capacity of a registered representative, their obligation is to make recommendation and conduct transactions that are suitable to you but are not necessarily be in your best interest.

If your Advisory Representative is a registered representative with a broker/dealer, you are under no obligation to purchase or sell securities through your Advisory Representative. However, if you choose to implement the plan the individual in their capacity as a registered representative of the broker/dealer, commissions will be earned in addition to any fees paid for advisory services. Commissions are higher or lower at your Advisory Representative's broker/dealer than at other broker/dealers. Advisory Representatives who are registered representatives have a conflict of interest in having you purchase securities and/or insurance related products through their broker/dealer in that the higher their production with their broker/dealer the greater opportunity for obtaining a higher pay-out on commissions earned. Additionally, it is important to understand when offering advice and services through an investment adviser, an advisory representative has a fiduciary obligation to act in your best interests. However, registered representatives providing recommendations and engaging in securities transactions through the broker/dealer only have an obligation to make suitable

recommendations and such advice and recommendations would not necessarily be in your best interest.

Under the rules and regulations of the FINRA, an Advisory Representative's broker/dealer has an obligation to perform certain supervisory functions regarding certain activities engaged in by the Advisory Representatives who is also a registered representative.

Non-U.S. based advisors have qualifications and are associated with other licensed firms to offer securities and insurance products to clients outside the United States and receive compensation. BGAN is not affiliated with the non-U.S. based licensed firms and does not participate in any compensation. Furthermore, BGAN does not oversee or supervise activities of non-U.S. based advisory representatives conducting business outside the U.S. through the non-U.S. based licensed companies.

- B. Certain Advisory Representatives are affiliated with other Investment Advisers for purposes of offering other advisory program, platforms, or services not available through BGAN. Please refer to your Advisory Representative's Form ADV Part 2B for disclosure regarding whether your Advisory Representative is associated with another investment adviser or has direct ownership in another investment adviser. Advisory Representatives could offer advisory services that are similar or different from the advisory services offered through BGAN and services will cost more or less.

BGAN has an advisory representative who is a certified public accountant ("CPA"). Tax preparation and accounting services are not offered or sponsored by BGAN. Tax preparation and accounting services are an outside business activity from BGAN and are conducted through the advisory representative's independent business, unaffiliated with BGAN. Clients are under no obligation to participate in tax or accounting services offered by any advisory representative.

Certain advisory representatives are licensed insurance agents. BGAN does not offer or sponsor insurance products or services. The insurance business engaged in by advisory representatives is an outside business activity and is unaffiliated with the services offered by BGAN. Clients are under no obligation to participate in insurance products or services offered by any advisory representative. Advisory Representatives who are insurance licensed have a conflict of interest to recommend and offer insurance products and services to you because they will earn a commission. To mitigate this conflict of interest this disclosure is provided to you. Further, you are encouraged to seek a second opinion on any insurance recommendations.

The members and owners of BGAN are also owners and principals of Gentium Global B.V. the arranger of the Universal Access Bond (UAB) a securities product listed on the Irish Stock Exchange (Euronext Dublin). The UAB is designed for the U.S. expatriate living outside the United States. The UAB is attached to a collective investment fund and reports in a U.S. tax compliant manner. The UAB is not advised upon or recommended by BGAN.

BGAN is not and does not have a related person who is a: futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities. Further, BGAN is not and does not have a related person who is: broker/dealer or other similar type of broker or dealer; investment company, futures commission merchant or

commodity pool operator; banking or thrift institution; lawyer or law firm; pension consultant; real estate broker or dealer; or sponsor or syndicator of a limited partnership.

BGAN attempts to mitigate the conflicts of interest with the receipt of commissions if recommendations are implemented by providing you with these disclosures. Further, you are encouraged to consult other professionals and implement recommendations through other financial professionals.

- D. As stated under Item 4, *Advisory Business* above, BGAN recommends other investment advisers (i.e. discretionary managers, third-party managers, and third-party service providers). BGAN and your advisory representative do not share in a portion of the advisory fees you pay to the third-party service providers. Fees paid to third-party service providers is separate from the fees paid to BGAN.

<b>Item 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING</b>
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**Code of Ethics**

- A. BGAN has a fiduciary duty to you to act in your best interest and always place your interests first and foremost. BGAN takes seriously its compliance and regulatory obligations and requires all staff to comply with such rules and regulations as well as BGAN's policies and procedures. Further, BGAN strives to handle your non-public information in such a way to protect information from falling into hands that have no business reason to know such information and provides you with BGAN's Privacy Policy. As such, BGAN maintains a code of ethics for its Advisory Representatives, supervised persons and staff. The Code of Ethics contains provisions for standards of business conduct in order to comply with federal securities laws, personal securities reporting requirements, pre-approval procedures for certain transactions, code violations reporting requirements, and safeguarding of material non-public information about your transactions. Further, BGAN's Code of Ethics establishes BGAN's expectation for business conduct. A copy of our Code of Ethics will be provided to you upon request.
- B. Neither BGAN nor its associated persons recommend clients buy or sell securities in which we have a material financial interest.
- C. BGAN and its associated persons buy or sell securities identical to those securities recommended to you. Therefore, BGAN and/or its associated persons have an interest or position in certain securities that are also recommended and bought or sold to you. BGAN and its associated persons will not put their interests before your interest. BGAN and its associated persons cannot trade in such a way to intentionally obtain a better price for themselves than for you or other clients.
- D. BGAN is required to maintain a list of all securities holdings for its associated persons and develop procedures to supervise the trading activities of associated persons who have knowledge of your transactions and their related family accounts at least quarterly. Further, associated persons are prohibited from trading on non-public information or sharing such information.

You have the right to decline any investment recommendation. BGAN and its associated persons are required to conduct their securities and investment advisory business in accordance with all applicable Federal and State securities regulations.

**Prohibition on Use of Insider Information**

BGAN has adopted policies and procedures to prevent the misuse of “insider” information (i.e. material non-public information). A copy of such policies and procedures is available to any person upon request.

**Item 12 - BROKERAGE PRACTICES**

BGAN does not maintain custody of your assets, although we are deemed to have custody of your assets if you give us authority to withdraw our advisory fee directly from your managed account. Additionally, BGAN will be deemed to have custody in certain situations involving standing letters of authorization and if you give us authority to transfers funds or securities between your accounts. Your assets must be maintained in an account at a qualified custodian. Generally, a qualified custodian is a broker/dealer or bank.

BGAN participates in the institutional advisor program (the “Program”) offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc. (“TD Ameritrade “), member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade is offered as a custodian for U.S. based clients. Additionally, BGAN has a custodial arrangement with Interactive Brokers, LLC to enable expatriates who choose to rollover their retirement assets from a 401k of a previous U.S. employer to a brokerage account for asset management services. Interactive Brokers has the ability to establish accounts for clients outside the U.S. for their U.S. based assets. Interactive Brokers, LLC is an independent and unaffiliated SEC-registered broker-dealer.

TD Ameritrade offers to independent investment advisors services which include custody of securities, trade execution, clearance and settlement of transactions. Advisor receives some benefits from TD Ameritrade through its participation in the Program. BGAN receives some benefits from TD Ameritrade as further described below and under Item 14.

TD Ameritrade will act solely as a broker/dealer and custodian and not as an investment adviser to you. It will have no discretion over your account and will act solely on instructions it receives from BGAN or you. TD Ameritrade has no responsibility for our services and undertakes no duty to you to monitor our management of your account or other services we provide to you. TD Ameritrade will hold your assets in a brokerage account and buy and sell securities and execute other transactions when BGAN or you instruct them to. To establish an account with TD Ameritrade you will be required to enter into an account agreement directly with one or both entities. We do not open an account for you.

Not all investment advisers require you to maintain accounts at a specific broker/dealer. You can maintain accounts at another broker/dealer. However, the services provided by BGAN could be limited to only advice and will not include implementation. If you select another brokerage firm for



custodial and/or brokerage services, it is likely you will not be able to receive asset management services from BGAN. The ability to select another broker/dealer and custodian will depend on the ability for BGAN to obtain trade information and supervise the activities of its Advisory Representatives.

#### How We Select Brokers/Custodians

We seek to select a custodian/broker who will hold your assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services. We consider a wide range of factors, including, among others, these:

- Ability to service you and us
- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- Capability to execute, clear and settle trades (buy and sell securities for your account)
- Capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Breadth of investment products made available (stocks, bonds, mutual funds, exchange traded funds (ETFs), etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them
- Industry reputation, staying power as a company, financial strength and viability
- Technology and educational resources
- Confidentiality and security of your information

Best execution does not simply mean the lowest transaction cost. Therefore, no single criteria will validate nor invalidate a custodian, but rather, all criteria taken together will be used in evaluating the currently utilized custodian.

There is an incentive for BGAN and the Advisory Representatives to recommend a broker/dealer over another based on the products and services that will be received rather than your best interest. Therefore, it is possible clients pay commissions higher than those charged by other broker/dealers in return for the products and services received by BGAN and/or its Advisory Representatives. The products and services BGAN and its Advisory Representatives receive from the broker/dealer or account custodian will be used to benefit all clients including those clients who elect to maintain their accounts elsewhere.

#### Aggregated Trading Procedure

When appropriate, your Advisory Representative will aggregate (“bunch”) transactions in the same security on behalf of more than one client in an effort to strive for best execution and to possibly reduce the price per share and/or other costs to clients. However, aggregated or bunched orders will not reduce the transaction costs to participating clients. BGAN conducts aggregated transactions in a manner designed to ensure that no participating client is favored over another client. Participating clients will obtain the average price per share for the security executed that day. To the extent the aggregated order is not filled in its entirety and when possible, securities purchased or sold in an aggregated transaction will be allocated on a random basis. Under certain circumstances, the amount

of securities is increased or decreased to avoid holding odd-lot or a small number of shares for particular clients.

### **Item 13 - REVIEW OF ACCOUNTS**

- A. If you are participating in the Asset Management program, or ongoing retirement plan consulting you will be invited to participate in at least an annual review or as agreed by you and your Advisory Representative. You may request more frequent reviews and set thresholds for triggering events that would cause a review to take place. Your Advisory Representative will monitor for changes or shifts in the economy, changes to the management and structure of a mutual fund or company in which your assets are invested, and market shifts and corrections.

If you are participating in Financial Planning and Consulting Services you will not receive regular reviews. BGAN recommends you have at least an annual review and update to any plans. However, the time and frequency of the reviews is solely your decision. Additionally, you will be charged review fees based on the fee schedule disclosed under the program. Other than the initial plan or analysis, there will be no other reports issued.

Your Advisory Representative that you have selected will conduct your account review. Please refer to your Advisory Representative's Form ADV Part 2B for important biographical information.

- B. You must notify your Advisory Representative promptly of any changes to your financial goals, objectives or financial situation as such changes may require him review the portfolio allocation and make recommendations for changes.
- C. You will be provided statements at least quarterly direct from the account custodian. Additionally, you will receive confirmations of all transactions occurring direct from the account custodian.

### **Item 14 - CLIENT REFERRALS AND OTHER COMPENSATION**

- A. Product and service vendors recommended by BGAN can provide monetary and non-monetary assistance with client events, provide educational tools and resources. BGAN does not select products as a result of any monetary or non-monetary assistance. The selection of product is first and foremost. BGAN's due diligence of a product does not take into consideration any assistance it receives. Additionally, those Advisory Representatives who are registered representatives have incentives and benefits offered by the broker/dealer enabling them to attend certain events and have the costs covered by the broker/dealer. The qualification for events and incentives or benefits is based on overall production with the broker/dealer or tenure. This is a conflict of interest for the Advisory Representative to recommend business be directed through the broker/dealer. To mitigate this conflict of interest this disclosure is provided.

## Beacon Global Advisor Network, LLC

BGAN has entered into a solicitor agreement with another investment adviser to act in the capacity of a solicitor to refer certain clients to the investment adviser for advisory services and programs not offered by BGAN. As a result of referring a client to the investment adviser, BGAN will receive a portion of the advisory fee paid by the referred client. This is a conflict of interest since BGAN has a direct interest in the client engaging the investment adviser. A portion of the advisory fee received by BGAN will be paid to the BGAN Advisory Representative. Clients will be provided with a Solicitor Disclosure explaining the arrangement and the receipt of compensation and the effect on the amount of fee paid by the client as a result of BGAN sharing in a portion of the advisory fee. To mitigate this conflict of interest, BGAN is informing you of this relationship.

BGAN has entered into a solicitor agreement with non-U.S. based pension financial services firms to refer United Kingdom ("UK") expatriates or other nationals generally residing in the United States who has UK based pension plans and want to transfer to a SIPP or QROPs. A description of this service is provided in Item 4 and Item 5 above. A portion of the advisory fee paid by clients to BGAN for transferring and managing their SIPP or QROPs will be paid to the pension financial services firm. Clients will be provided with a Solicitor Disclosure explain the arrangement and the payment of the fee. Clients will not be charged a higher fee as a result of payment of the solicitor fee.

BGAN has entered into a solicitor agreement with Beacon Global Group-Europe B.V., a sister company to BGAN because of common ownership. Beacon Global Group-Europe B.V. through its network of non-U.S. based financial professions will refer non-U.S. clients who have a 401k and want to rollover the account to an IRA account to BGAN for asset management services. Clients will be charged an additional 1% fee based on the value of the account as a referral or introducer fee which will be paid to Beacon Global Group-Europe B.V. and a portion or all of the fee paid to client's non-U.S. Adviser by Beacon Global Group-Europe B.V. BGAN will not retain or share in any portion of the 1% fee. If the client is referred to BGAN by Beacon Global Group-Europe B.V. and the client does not have a non-U.S. Adviser, Beacon Global Group-Europe B.V. will have the discretion to request the introducer fee and retain the full fee. The client will be advised of the fee and agree and authorize the payment of the fee by execution of the Solicitor / Introducer's Disclosure Statement. There is a conflict of interest for Beacon Global Group-Europe B.V. to receive all or a portion of the fee because BGAN and Beacon Global Group-Europe B.V. are under common ownership. There is a conflict of interest for the client's non-U.S. Adviser to refer non-U.S. clients to BGAN to manage their 401k rollover to an IRA account because of the non-U.S. Adviser's receipt of all or a portion of the 1% fee. As disclosed in the Solicitor / Introducer's Disclosure Statement, the payment of the solicitor or introducer fee directly increases the cost to the client that clients engaging BGAN directly would not otherwise incur. To mitigate these conflicts of interest, this disclosure and the Solicitor / Introducer's Disclosure Statement is provided.

As stated under Item 4 above, Advisory Representatives are independent contractors. As such, the Advisory Representatives have a direct incentive in the advisory fees being charged since a portion of the advisory fee collected by BGAN will be paid to the Advisory Representative for compensation for advisory services. In other words, Advisory Representatives are not salaried, but instead, share in the fees charged to you by BGAN. Further, clients are advised that the amount paid by BGAN to the Advisory Representative will be based on the production of the

## Beacon Global Advisor Network, LLC

Advisory Representative. Therefore, the higher sales the Advisory Representative produces the more compensation the Advisory Representative will receive. Consequently, since production is a basis for determining the Advisory Representative's payout, and since a portion of the advisory fees will be retained by BGAN, there is a conflict of interest for the Advisory Representative to charge the maximum fee as disclosed under Item 5 above.

### TD Ameritrade Important Information

As disclosed under Item 12 above, Advisor participates in TD Ameritrade's institutional customer program and Advisor recommends TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor 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; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade offers from time to time to pay for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program benefits Advisor but do not benefit its Client accounts. These products or services assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor 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, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a conflict of interest and indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

## Item 15 - CUSTODY

BGAN does not take custody of your funds or securities, except:

- BGAN will be deemed to have custody in certain situations involving standing letters of authorization and if you give us authority to transfers funds or securities between your accounts.
- BGAN will be deemed to have custody with the deduction of BGAN's advisory fees from your accounts.

Clients will receive account statements direct from the broker/dealer or account custodian reflecting the deduction of BGAN's advisory fee. Clients should carefully review statements received from

the broker/dealer or account custodian. Further, clients should compare any written report received from BGAN with statements received direct from the broker/dealer or account custodian. Should there be any discrepancy the account custodian's report will prevail.

Under government regulations, we are deemed to have custody of your assets if, for example, you authorize us to instruct your account custodian to deduct our advisory fees directly from your account or if you grant us authority to move your money to another person's account. Your account custodian maintains actual custody of your assets. You will receive account statements directly from your account custodian at least quarterly. They will be sent to the email or postal mailing address you provided. You should carefully review those statements promptly when you receive them.

#### **Item 16 - INVESTMENT DISCRETION**

Unless you specifically elect to have your account managed on a non-discretionary basis, your account will be managed on a discretionary basis. Discretionary authority authorizes BGAN and your Advisory Representative the authority to buy, sell, exchange and convert securities in your managed accounts and to engage, terminate, or replace Third-Party Service Providers. You will grant such authority by execution of the client advisory agreement. You may terminate discretionary authorization at any time upon receipt of written notice by BGAN.

Discretionary authority will be limited to BGAN and your Advisory Representative having the authority to determine the securities to be bought or sold for a client's account, the amount of securities to be bought or sold for a client's account, and the Third-Party Service Providers on your account.

Additionally, you are advised that:

- 1) You may set parameters with respect to when account should be rebalanced and set trading restrictions or limitations;
- 2) Your written consent is required to establish any mutual fund, variable annuity, or brokerage account;
- 3) With the exception of deduction of BGAN's advisory fees from the account, if you have authorized automatic deductions, BGAN will not have the ability to withdraw your funds or securities from the account.
- 4) BGAN will not have authority to remove or transfer funds or assets out of your account without your authorization with the exception of deduction of advisory fees from your account

#### **Item 17 - VOTING CLIENT SECURITIES**

BGAN does not vote your securities. Unless you suppress proxies, securities proxies will be sent directly to you by the account custodian or transfer agent. You may contact BGAN about questions you have and opinions on how to vote the proxies. However, the voting and how you vote the proxies is solely your decision.

**Item 18 - FINANCIAL INFORMATION**

- A. BGAN will not require you to prepay more than \$1,200 and six or more months in advance of receiving the advisory service.
- B. As stated above, BGAN has discretionary authority over client accounts; however, that authority does not extend to the withdrawal of any client assets, with the exception of deduction of BGAN's advisory fees from your accounts. We are financially stable. There is no financial condition that is likely to impair our ability to meet our contract actual commitment to you or any other client.
- C. Neither BGAN nor any of its Advisory Representatives has ever been the subject of a bankruptcy petition.

**BEACON GLOBAL ADVISOR NETWORK, LLC'S PRIVACY NOTICE**



**BEACON GLOBAL  
ADVISOR NETWORK**

Updated as of July 2018

Beacon Global Advisor Network, LLC (“BGAN”) values our customers and makes it a top priority to safeguard the confidential information of our customers. We are committed to protecting your privacy and maintaining your trust and confidence.

BGAN collects information about you to assist us in providing services and products to help you meet your financial goals and objectives and provide high standards of customer service. Additionally, information is obtained from you in order to help us fulfill our legal and regulatory requirements. Information collected varies depending on the products and services requested and the scope of your engagement with us.

Facts	What does Beacon Global Advisor Network, LLC Do with Your Personal Information?
Why?	<p>Beacon Global Advisor Network, LLC collects information about you to assist us in providing services and products to help you meet your financial goals and objectives and provide high standards of customer service. Additionally, information is obtained from you in order to help us fulfill our legal and regulatory requirements. Information collected will vary depending on the products and services requested and the scope of your engagement with us. Further, in providing financial services, the data is necessary for our legal and regulatory requirements and responsibilities and failing to provide information will result in discontinuance of services.</p> <p>Financial companies choose how they share your personal information. Federal and European Union law gives consumers the right to limit some but not all sharing. Federal and European Union law also requires us to tell you how we collect, share and protect your personal information. Please read this notice carefully to understand what we do.</p>
What?	<p>The types of personal information we collect can include:</p> <ul style="list-style-type: none"><li>• Social Security number</li><li>• Income</li><li>• Assets</li><li>• Personal information (address, date of birth, net worth, income)</li><li>• Account numbers and information</li><li>• Financial Information</li><li>• Insurance, health, and medical information</li></ul> <p><b>We have an obligation to ensure that your personal information is accurate and up to date. Please contact us promptly to correct or remove any information that you think is incorrect.</b></p>

	<p><i>Use of our website.</i></p> <p>Information relating to usage of our website is collected using cookies. These are text files placed on your computer to collect standard internet log information and visitor behaviour information. We use your information collected from the website to personalize your repeat visits to the site. Additionally, we use cookies to track visitor use of the website and to compile statistical reports on website activity. For further information visit <a href="http://www.allaboutcookies.org/">http://www.allaboutcookies.org/</a>.</p> <p>You can set your browser not to accept cookies and the above website tells you how to remove cookies from your browser. However, in a few cases some of our website features do not function as a result.</p> <p><i>Information about connected individuals.</i></p> <p>We may need to gather personal information about your close family members and dependents in order to provide our service to you effectively. In such cases it will be your responsibility to ensure that you have the consent of the people concerned to pass their information on to us. We'll provide a copy of this privacy notice for them or, where appropriate, ask you to pass the privacy information to them.</p> <p><i>No longer our customer.</i></p> <p>When you are no longer our customer, we will continue to hold your information and share it as described in this notice</p>
How?	<p>All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons why financial companies can share their customers' personal information, the reasons Beacon Global Advisor Network, LLC chooses to share personal information and whether you can limit this sharing.</p> <p>Where third parties are involved in processing your data we'll have a contract in place with them to ensure that the nature and purpose of the processing is clear, that they are subject to a duty of confidence in processing your data and that they will maintain the security and confidentiality of your information.</p> <p>When and where necessary for us to transmit or deliver your personal information to a third party, we will use appropriate security measures to protect your personal information in transit. Such methods can include the use of password protection, data encryption, and secured portals.</p>

Reasons We Can Share Your Personal Information	Does Adviser share?	Can you limit this sharing?
For our everyday business purposes, such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus.	Yes	No
To fulfill our obligations to aid in the prevention of money laundering and other financial crimes we send your personal information to third party agencies for identity verification purposes.	Yes	No
For our marketing purposes to offer our products and services to you.	Yes	Yes



Beacon Global Advisor Network, LLC

For joint marketing with other financial companies.	Yes	Yes
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Reasons We Can Share Your Personal Information	Does Adviser share?	Can you limit this sharing?
For our affiliates' everyday business purposes—information about your transactions and experiences. We share information about our customers to process transactions, maintain your account(s), or respond to court orders and legal investigations.	Yes	No
For our affiliates' everyday business purposes—information about your creditworthiness.	No	NA
For non-affiliates' everyday business purposes to assist us in obtaining business or providing account maintenance or customer service to your account(s).	Yes	No
For our affiliates to market to you—to offer new products or services to you.	No	NA
For nonaffiliates to market to you—we do not sell, share, or disclose your nonpublic personal information to nonaffiliated third-party marketing companies.	No	NA
<p><b>For advisory representatives who leave Beacon Global Advisor Network, LLC</b></p> <p>If your advisory representative leaves Beacon Global Advisor Network, LLC to join another investment adviser or other financial institution, the advisory representative retains copies of your personal information so that he or she can continue to serve you at the new firm. In doing so, your advisory representative shares your information with the new firm but is otherwise required to keep confidential the personal information obtained from you while the advisory representative was affiliated with Beacon Global Advisor Network, LLC, and he or she may use it only to service your account(s).</p> <p><b>Please note:</b> Certain states and countries require affirmative consent to allow sharing. See below for more on your rights under state law.</p> <p><b>In the event that a Beacon Global Advisor Network, LLC advisory representative terminates his or her relationship with Beacon Global Advisor Network, LLC, and you want to follow your advisory representative to his or her new firm, please do not request to limit our sharing.</b></p>	Yes	Yes

Who We Are	
Who is providing this notice?	Beacon Global Advisor Network, LLC

What We Do	
How does Beacon Global Advisor Network, LLC protect my personal information?	<p>Beacon Global Advisor Network, LLC recognizes the need to prevent unauthorized access to the information we collect, including information held in electronic format, and we protect your personal information in the following ways:</p> <ul style="list-style-type: none"> <li>• Computer safeguards and secured files and buildings.</li> <li>• We only grant access to your personal information to parties with whom we have executed confidentiality/nondisclosure agreements and who need that information to serve you or to assist us in conducting our operations.</li> <li>• We have physical and electronic safeguards in place to ensure that we comply with our own policy, industry practices, federal and state regulations, and European Union law.</li> </ul>

## Beacon Global Advisor Network, LLC

	<ul style="list-style-type: none"> <li>• Our employees are trained in the proper handling of sensitive information.</li> </ul>
How does Beacon Global Advisor Network, LLC collect my personal information?	<p>We collect your personal information, for example, when you:</p> <ul style="list-style-type: none"> <li>• Open an account</li> <li>• Apply for insurance</li> <li>• Seek advice about your investments</li> <li>• Enter into an investment advisory account</li> <li>• Tell us about your investment or retirement portfolio</li> </ul> <p>We also collect your personal information from others such as credit bureaus, affiliates or other companies.</p>
Why can't I limit all sharing?	<p>Federal and European Union law give you the right to limit only:</p> <ul style="list-style-type: none"> <li>• Sharing for affiliates' everyday business purposes—information about your creditworthiness</li> <li>• Affiliates from using your information to market to you</li> <li>• Sharing for non-affiliates to market to you</li> </ul> <p>State laws, European Union Law, and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law.</p>
Marketing	<p>We would like to send you information about our products and services which may be of interest to you. If you are a European Union citizen and have agreed to receive marketing information, you may opt out at a later date by contacting us by one of the methods below.</p> <p>You have a right at any time to stop us from contacting you for marketing purposes or providing your information to other associated Companies. If you no longer wish to be contacted for marketing purposes, please contact us using the contact information below.</p>

### How Long We Maintain Your Information

During the course of our relationship with you we'll retain personal data which is necessary to provide services to you. We will take all reasonable steps to keep your personal data up to date throughout our relationship. Additionally, we are subject to regulatory requirements requiring us to retain your data for a specified minimum period, which is generally five years from the date you cease being our customer: This minimum period is the period during which we have a legal obligation to retain your records. Additionally, we reserve the right to retain data for a longer period where we believe it is in our legitimate interests to do so. In any case, we will not keep your personal data for longer than seven years after our relationship with you has ended. You have the right to request deletion of your personal data. We'll comply with this request, subject to the restrictions of our regulatory obligations and legitimate interests as noted above.

### How You Can Access Information We Hold About You

You have the right to request a copy of the information that we hold about you. If you would like a copy of some or all of your personal information, please contact us using the contact details noted below. When your personal data is processed by automated methods you have the right to ask us to move your personal data to another organization for their use.

### To Limit Our Sharing and Your Rights

- Call Beacon Global Advisor Network, LLC at 678-517-4474
- Mail your request to: One Glenlake Parkway, Suite 713, Atlanta, GA 30328

If you are a European Union citizen, you also have a right to lodge a complaint with the supervisory authority for data protection. However, in the first instance please contact the Beacon Global Advisor Network, LLC Compliance Department at:

One Glenlake Parkway, Suite 713  
Atlanta, GA 30328  
770-713-9001

### Changes to Our Privacy and Data Use Policy

Any changes we make to this policy in the future will be posted on our website and an updated version of this Privacy Notice will be provided to you so that you are always aware of how we use your Personal Data.

### Definitions

Affiliates	Companies related by common ownership or control. They can be financial and non-financial companies.
Non-Affiliates	Companies not related by common ownership or control. They can be financial and non-financial companies.
Joint Marketing	A formal agreement between nonaffiliated financial companies that together market financial products or services to you. This may include banks, credit unions, or other financial institutions with which we have a joint marketing agreement.

### Other Important Information

**Website.** Our website contains links to other websites. This privacy policy only applies to our website. Therefore, when you link to other websites you should read their privacy policies and our privacy policy does not extend to any other vendor, company, or third party linked to from our website.

If you live in an “opt-in” state, where we are required to obtain your affirmative consent to share your nonpublic personal information with nonaffiliated third parties who do not currently assist us in servicing your account or conducting our business, your advisory representative is required to obtain your consent before your advisory representative can take your information with him or her should your advisor leave Beacon Global Advisor Network, LLC

#### Information for California, North Dakota, and Vermont Customers

In response to applicable state law, if the mailing address provided for your account is in California, North Dakota, or Vermont, we will automatically treat your account as if you do not want us to disclose your personal information to non-affiliated third parties for purposes of them marketing to you, except as permitted by the applicable state law.

#### Information for New Jersey Clients

The New Jersey Bureau of Securities (“Bureau”), an arm of the Office of the New Jersey Attorney General, is

charged with protecting investors from investment fraud, and regulating the securities industry in New Jersey. In addition to bringing investigative and enforcement actions against firms or individuals who violate the New Jersey Uniform Securities Law and regulations thereunder, the Bureau registers securities offered or sold in New Jersey and oversees the firms and individuals selling securities or providing investment advice to or from New Jersey.

Investors can contact the Bureau to research the professional background of current and former registered broker-dealers, investment advisers, agents, and investment adviser representatives. **To research a financial professional, contact the Bureau via phone at 1-866-I-Invest (within New Jersey) or at 973-504-3600 (both within and outside New Jersey) or via email at [njbos@lps.state.nj.us](mailto:njbos@lps.state.nj.us).**

Investors can also file complaints with the Bureau against individuals and firms selling securities or offering investment advice, as well as companies issuing securities investments directly.

**To file a complaint or learn more about the Bureau, visit the Bureau's website at [www.NJSecurities.gov](http://www.NJSecurities.gov).**