

STAGE HARBOR FINANCIAL, LLC



a Registered Investment Advisor

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This Form ADV Part 2A ("Disclosure Brochure") provides information about the qualifications and business practices of Stage Harbor Financial, LLC ("Stage Harbor" or the "Advisor"). If you have any questions about the contents of this Disclosure Brochure, please contact us at (781) 934-3130 or by email at info@stageharborfinancial.com.

Stage Harbor is a registered investment advisor with U.S. Securities and Exchange Commission. The information in this Disclosure Brochure has not been approved or verified by SEC or by any state securities authority. Registration of an investment advisor does not imply any specific level of skill or training. This Disclosure Brochure provides information about Stage Harbor to assist you in determining whether to retain the Advisor.

Additional information about Stage Harbor and its Advisory Persons are available on the SEC's website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 289725.

Item 2. Material Changes

Form ADV 2 is divided into two parts: Part 2A (the "Disclosure Brochure") and Part 2B (the "Brochure Supplement"). The Disclosure Brochure provides information about a variety of topics relating to an Advisor's business practices and conflicts of interest. The Brochure Supplement provides information about the Advisory Persons of Stage Harbor.

Stage Harbor believes that communication and transparency are the foundation of its relationship with Clients and will continually strive to provide its Clients with complete and accurate information at all times. Stage Harbor encourages all current and prospective Clients to read this Disclosure Brochure and discuss any questions you may have with us. And of course, we always welcome your feedback.

Material Changes

The following material changes have been made to this Disclosure brochure since the last filing and distribution to Clients:

- William LeFavor became a Partner of the firm on December 31, 2018.

Future Changes

From time to time, we may amend this Disclosure Brochure to reflect changes in our business practices, changes in regulations and routine annual updates as required by the securities regulators. This complete Disclosure Brochure or a Summary of Material Changes shall be provided to each Client annually and if a material change occurs.

At any time, you may view the current Disclosure Brochure on-line at the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 289725. You may also request a copy of this Disclosure Brochure at any time, by contacting us at (781) 934-3130 or by email at info@stageharborfinancial.com.

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Item 4. Advisory Business

Firm Information

Stage Harbor Financial, LLC (“Stage Harbor” or the “Advisor”) is a registered investment advisor with the U.S. Securities and Exchange Commission (“SEC”), which is organized as a Limited Liability Company (“LLC”) under the laws of the State of Delaware. Stage Harbor was founded in February 2018 and is owned and operated by Andre M. Fernandes (Principal), Matthew D. Biggar (Principal) and William F. LeFavor (Principal). This Disclosure Brochure provides information regarding the qualifications, business practices, and the advisory services provided by Stage Harbor.

Advisory Services Offered

Stage Harbor offers a variety of advisory services, which include financial planning, consulting, and investment management services to individuals, high net worth individuals, trusts, estates, businesses, retirement plans (each referred to as a “Client”) in the Commonwealth of Massachusetts and other states. Prior to Stage Harbor rendering any of the foregoing advisory services, Clients generally enter into one or more written agreements with Stage Harbor setting forth the relevant terms and conditions of the advisory relationship.

Stage Harbor serves as a fiduciary to Clients, as defined under the applicable laws and regulations. As a fiduciary, Stage Harbor upholds a duty of loyalty, fairness and good faith towards each Client and seeks to mitigate potential conflicts of interest. The Advisor’s fiduciary commitment is further described in the Advisor’s Code of Ethics. For more information regarding the Advisor’s Code of Ethics, please see Item 11 – Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Wealth Management Services

Stage Harbor provides Clients with wealth management services which includes a broad range of comprehensive financial planning and consulting services as well as discretionary management of investment portfolios.

Stage Harbor primarily allocates Client assets among various mutual funds, exchange-traded funds (“ETFs”), individual debt securities and independent investment managers (“Independent Managers”) in accordance with their stated investment objectives. Less frequently, the Advisor will allocate assets among individual equity securities, structured notes and private funds.

Where appropriate, the Advisor also provides advice about any type of legacy position or other investment held in Client portfolios. Clients can engage Stage Harbor to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, Stage Harbor directs or recommends the allocation of Client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product’s provider.

Stage Harbor tailors its wealth management services to meet the needs of its individual Clients and seeks to ensure, on a continuous basis, that Client portfolios are managed in a manner consistent with those needs and objectives. Stage Harbor consults with Clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify Stage Harbor if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if Stage Harbor determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Advisor’s management efforts.

Under certain circumstances, Stage Harbor may accept or maintain custody of Client's funds or securities. Please see Item 15 – Custody for more information.

Use of Independent Managers - As mentioned above, Stage Harbor selects certain Independent Managers to actively manage a portion of its Clients' assets. The Advisor is given discretion to hire and fire the Independent Managers without the Client's prior consent. The specific terms and conditions under which a Client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, Clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

Stage Harbor evaluates a variety of information about Independent Managers, which includes the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Advisor seeks to assess the Independent Managers' investment strategies, past performance and risk results in relation to its Clients' individual portfolio allocations and risk exposure. Stage Harbor also takes into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

Stage Harbor continues to provide services relative to the discretionary selection of the Independent Managers. On an ongoing basis, the Advisor monitors the performance of those accounts being managed by Independent Managers. Stage Harbor seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its Clients' investment objectives and overall best interests.

Financial Planning and Consulting Services - Stage Harbor offers Clients a broad range of financial planning and consulting services, which includes any or all of the following functions:

Business Planning	Insurance Planning	Risk Management
Cash Flow Forecasting	Distribution Planning	Retirement Planning
Trust and Estate Planning	Tax Planning	Charitable Giving
Financial Reporting	Manager Due Diligence	Investment Consulting

While each of these services is available on a stand-alone basis, certain of them can also be rendered in conjunction with investment management services as part of a comprehensive wealth management engagement (described in more detail below).

Generally, such financial planning services involve preparing a formal financial plan or rendering a specific financial consultation based on the Client's financial goals and objectives. A financial plan developed for, or financial consultation rendered to the Client will usually include general recommendations for a course of activity or specific actions to be taken by the Client. For example, recommendations may be made that the Client start or revise their investment programs, commence or alter retirement savings, establish education savings and/or charitable giving programs.

Stage Harbor may also refer Clients to an accountant, attorney or other specialists, as appropriate for their unique situation. For certain financial planning engagements, the Advisor will provide a written summary of the Client's financial situation, observations, and recommendations. For consulting or ad-hoc engagements, the Advisor may not provide a written summary. Plans or consultations are typically completed within six (6) months of contract date, assuming all information and documents requested are provided promptly.

Financial planning and consulting recommendations may pose a conflict between the interests of the Advisor and the interests of the Client. For example, a recommendation to engage the Advisor for investment management services or to increase the level of investment assets with the Advisor would pose a conflict, as it would increase

the advisory fees paid to the Advisor. Clients are not obligated to implement any recommendations made by the Advisor or maintain an ongoing relationship with the Advisor. If the Client elects to act on any of the recommendations made by the Advisor, the Client is under no obligation to effect the transaction through the Advisor.

Retirement Plan Advisory Services

Stage Harbor provides various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and includes any or all of the following services:

Plan Design and Strategy	Plan Fee and Cost Analysis
Plan Review and Evaluation	Plan Committee Consultation
Executive Planning & Benefits	Fiduciary and Compliance
Investment Selection	Participant Education

As disclosed in the retirement plan advisory agreement, certain of the foregoing services are provided by Stage Harbor as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of Advisors’ fiduciary status, the specific services to be rendered and all direct and indirect compensation the Advisor reasonably expects under the engagement.

Client Account Management

Prior to engaging Stage Harbor to provide investment advisory services, each Client is generally required to enter into one or more agreements with the Advisor that define the terms, conditions, authority and responsibilities of the Advisor and the Client. These services may include:

- Establishing an Investment Strategy – Stage Harbor, in connection with the Client, will develop a strategy that seeks to achieve the Client’s goals and objectives.
- Asset Allocation – Stage Harbor will develop a strategic asset allocation that is targeted to meet the investment objectives, time horizon, financial situation and tolerance of risk for each Client.
- Portfolio Construction – Stage Harbor will develop a portfolio for the Client that is intended to meet the stated goals and objectives of the Client.
- Investment Management and Supervision – Stage Harbor will provide investment management and ongoing oversight of the Client’s investment portfolio.

Wrap Fee Programs

Stage Harbor does not manage or place Client assets into a wrap fee program. Investment management services are provided directly by Stage Harbor.

Assets Under Management

As of December 31, 2018, Stage Harbor manages \$523,990,896 in Client assets, all of which are on a discretionary basis. Clients may request more current information at any time by contacting the Advisor.

Item 5. Fees and Compensation

The following paragraphs detail the fee structure and compensation methodology for services provided by the Advisor. Each Client engaging the Advisor for services described herein shall generally be required to enter into a written agreement with the Advisor.

Wealth Management Fees

Stage Harbor offers wealth management services for an annual fee based on the amount of assets under management. The wealth management fee varies in accordance with the following blended fee schedule:

<u>PORTFOLIO VALUE</u>	<u>BASE FEE</u>
First \$1,000,000	0.80%
Next \$1,000,000	0.70%
Next \$1,000,000	0.60%
Next \$2,000,000	0.50%
Next \$5,000,000	0.40%
Above \$10,000,000	0.35%

The annual fee is prorated and charged quarterly, at the end of each calendar quarter, based upon the market value of the average daily account balance during the prior quarter. The Advisor may charge an additional fixed fee for the financial planning and consulting fees where those needs are in excess of the asset-based fee.

Additionally, for wealth management services the Advisor provides with respect to certain Client holdings (e.g., held-away assets, accommodation accounts, alternative investments, etc.), Stage Harbor may negotiate a fee rate that differs from the fee schedule set forth above.

Since the asset-based fee is determined by average daily account balance, if assets are deposited into or withdrawn from an account after the inception of a quarter, the base fee payable with respect to such assets is adjusted accordingly. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the wealth management agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the Client, as appropriate.

Clients can make additions to and withdrawals from their account at any time, subject to Stage Harbor's right to terminate an account. Additions can be in cash or securities provided that the Advisor reserves the right to liquidate any transferred securities or declines to accept particular securities into a Client's account. Clients can withdraw account assets on notice to Stage Harbor, subject to the usual and customary securities settlement procedures. However, the Advisor designs its portfolios as long-term investments and the withdrawal of assets may impair the achievement of a Client's investment objectives. Stage Harbor may consult with its Clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and/or tax ramifications.

The Advisor's fee is exclusive of, and in addition to, brokerage fees, transaction fees, and other related costs and expenses, which may be incurred by the Client. However, the Advisor shall not receive any portion of these commissions, fees, and costs.

Wealth management fees are calculated by the Advisor or its delegate and deducted from the Client's account[s] at the Custodian. The Advisor shall send an invoice to the Custodian indicating the amount of the fees to be deducted from the Client's account[s] at the beginning of the respective quarter. Clients will be provided with a statement, at least quarterly, from the Custodian reflecting deduction of the investment advisory fee. It is the responsibility of the Client to verify the accuracy of these fees as listed on the Custodian's brokerage statement as the Custodian does not assume this responsibility. Clients provide written authorization permitting advisory fees to be deducted by Stage Harbor directly from their account[s] held by the Custodian as part of the wealth management agreement and separate account forms provided by the Custodian. Alternatively, Stage Harbor may, in its sole discretion, accept a Client's request send a separate invoice for direct payment, in which case the Advisor may bill in advance

based upon the value of the assets under management on the last day of the previous quarter.

Stage Harbor is compensated for its services at the end of the quarter in which wealth management services are rendered. Either party may terminate the wealth management agreement, at any time, by providing advance written notice to the other party. The Client may also terminate the investment advisory agreement within five (5) business days of signing the Advisor's agreement at no cost to the Client. After the five-day period, the Client will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by the Client. The Client's wealth management agreement with the Advisor is non-transferable without the Client's prior consent.

Use of Independent Managers

For Clients referred by the Advisor to an Independent Manager, the Client's fee may be separately billed or deducted from the Client's account[s] with the respective manager and a portion of the investment advisory fee may be provided to Stage Harbor.

In the event that a Client should wish to terminate their relationship with the Independent Manager, the terms for termination will be set forth in the respective agreements between the Client and that Independent Manager. Stage Harbor will assist the Client with the termination and transition as appropriate.

Financial Planning and Consulting Services

Stage Harbor charges a fixed fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable, but range from \$3,000 to \$20,000 depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. If the Client engages the Advisor for additional investment advisory services, Stage Harbor may offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the financial planning agreement and Stage Harbor requires one-half of the fee (estimated hourly or fixed) payable upon execution of the financial planning agreement. The outstanding balance is due upon delivery of the financial plan or completion of the agreed upon services. The Advisor does not, however, take receipt of \$1,200 or more in prepaid fees in excess of six months in advance of services rendered.

Retirement Plan Advisory Services

Stage Harbor charges as fixed project-based fee to provide Clients with retirement plan advisory services. Each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the retirement plan advisory agreement. These fees vary, based on the scope of the services to be rendered and amount of assets to be managed. The fees can be fixed or asset-based.

Fee Discretion

Stage Harbor may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy Client relationship (including support Clients provide to the Advisor), account retention and pro bono activities.

Additional Fees and Expenses

Clients may incur certain fees or charges imposed by third parties, other than Stage Harbor, in connection with investments made on behalf of the Client's account[s]. The Client is responsible for all custody and securities execution fees charged by the Custodian. The fees charged by Stage Harbor are separate and distinct from these custody and execution fees.

In addition, all fees paid to Stage Harbor for investment advisory services are separate and distinct from the expenses charged by mutual funds and ETFs to their shareholders, if applicable. These fees and expenses are described in each fund's prospectus. These fees and expenses will generally be used to pay management fees for the funds, other fund expenses, account administration (e.g., custody, brokerage and account reporting), and a possible distribution fee. A Client may be able to invest in these products directly, without the services of Stage Harbor, but would not receive the services provided by Stage Harbor which are designed, among other things, to assist the Client in determining which products or services are most appropriate for each Client's financial situation and objectives. Accordingly, the Client should review both the fees charged by the fund[s] and the fees charged by Stage Harbor to fully understand the total fees to be paid. Please refer to Item 12 – Brokerage Practices for additional information.

Compensation for Sales of Securities

Stage Harbor does not buy or sell securities to earn commissions and does not receive any compensation for securities transactions in any Client account, other than the investment advisory fees noted above.

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

Stage Harbor does not charge performance-based fees for its investment advisory services. The fees charged by Stage Harbor are as described in Item 5 – Fees and Compensation above and are not based upon the capital appreciation of the funds or securities held by any Client.

Stage Harbor does not manage any proprietary investment funds or limited partnerships (for example, a mutual fund or a hedge fund) and has no financial incentive to recommend any particular investment options to its Clients.

Item 7. Types of Clients

Stage Harbor offers investment advisory services to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations and business entities. The amount of each type of Client is available on Stage Harbor's Form ADV Part 1A. These amounts may change over time and are updated at least annually by the Advisor. Stage Harbor generally does not impose a minimum relationship size.

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

Methods of Analysis and Investment Strategies

Stage Harbor builds each Client's portfolio by developing an asset allocation that is driven by the Client's unique goals and the timeframes associated with those goals. Therefore, the first step towards making portfolio recommendations is getting to know the Client and working with them to create their personalized, comprehensive financial plan. After the financial plan has been formed, Stage Harbor recommends portfolios that the Advisor believes are consistent with the Client's investment profile, which includes factoring their risk tolerance, time frame and tax status. After implementation, Stage Harbor believes that tax optimization and portfolio rebalancing can offer meaningful value to Clients.

Stage Harbor's Investment Committee continually reviews its investment platform with the following two focal points:

1. *Strategy Selection:* Stage Harbor selects investment vehicles and strategies that are supported by academic research. The Investment Committee selects non-proprietary, third party investment managers (to mutual funds, ETFs or Independent Managers) through a rigorous process consistent with its investment philosophy. This investment philosophy includes using a core/satellite investment approach combining complementary passive strategies (the core) and active strategies (the satellites). Factors used for selection

include fees, tax efficiency, and investment differentiation.

2. *Asset Allocation*: In order to maintain diversified portfolios for its Clients, the Advisor selects investments across a wide range of asset classes, including equities, fixed income and alternative assets. The investment philosophy of the Advisor also maintains that every asset should have a defined purpose. For example, fixed income should provide stability and downside protection, equities should provide growth and alternative investments should provide non-correlated returns. The Advisor may also maintain an opportunistic sleeve in its portfolios, which adds non-traditional asset classes that the Advisor believes offer higher risk-adjusted return potential.

Stage Harbor believes that maintaining a disciplined investment philosophy that is low cost, tax-efficient and is rooted in the unique facts and circumstances of each Client increases the likelihood of long-term success.

Risk of Loss

Market Risks - Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Stage Harbor's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. There can be no assurance that Stage Harbor will be able to predict those price movements accurately or capitalize on any such assumptions.

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

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

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for indexed based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

There are also specific risks to certain types of funds that the Advisor may recommend. For example, Interval Funds only offer redemptions at specific intervals (often quarterly). Interval Funds have less liquidity than traditional mutual funds or ETFs. Other Closed-End Funds may give the Advisor additional opportunities not available in Open-End Funds, but they may have liquidity and trade below their net asset value because they are traded in markets. Clients will receive a prospectus from each fund that will give more details on the risks associated with that particular fund.

Structured Notes - Structured notes are securities issued by financial institutions whose returns are based on, among other things, equity indexes, a single equity security, a basket of equity securities, interest rates, commodities, and/or

foreign currencies. Thus, returns are “linked” to the performance of a reference asset or index. Structured notes have specific risks that include market risk, an issuance price that is likely higher than the fair value of the note on the date of the issuance, liquidity risk, credit risk, call risk, and a complicated payoff structure.

Use of Independent Managers- As stated above, Stage Harbor selects certain Independent Managers to manage a portion of its Clients’ assets. In these situations, Stage Harbor continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers’ ability to successfully implement their investment strategies. In addition, Stage Harbor does not have the ability to supervise the Independent Managers on a day-to-day basis.

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

Item 9. Disciplinary Information

There are no legal, regulatory or disciplinary events involving Stage Harbor or any of its Supervised Persons. Stage Harbor values the trust you place in us. As we advise all Clients, we encourage you to perform the requisite due diligence on any advisor or service provider with whom you partner. Our backgrounds are available on the Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov by searching with our firm name or our CRD# 289725.

Item 10. Other Financial Industry Activities and Affiliations

Insurance Agency Affiliations

Certain Advisory Persons are also licensed as independent insurance professionals. As an independent insurance professional, Advisory Person may earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by Advisory Persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because the person providing investment advice on behalf of the Advisor who is also an insurance agent has an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any Advisory Person affiliated with the Advisor.

Item 11. Code of Ethics

Code of Ethics

Stage Harbor has implemented a Code of Ethics (the “Code”) that defines our fiduciary commitment to each Client. This Code applies to all persons associated with Stage Harbor (our “Supervised Persons”). The Code was developed to provide general ethical guidelines and specific instructions regarding our duties to you, our Client. Stage Harbor and its Supervised Persons owe a duty of loyalty, fairness and good faith towards each Client. It is the obligation of Stage Harbor’s Supervised Persons to adhere not only to the specific provisions of the Code, but also to the general principles that guide the Code. The Code covers a range of topics that address employee ethics and conflicts of interest. To request a copy of our Code, please contact us at (781) 934-3130 or via email at info@stageharborfinancial.com.

Personal Trading with Material Interest

Stage Harbor allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Stage Harbor does not act as principal in any transactions. In addition, the Advisor does not act as the general partner of a fund, or advise an investment company. Stage Harbor does not have a material interest in any securities traded in Client accounts.

Personal Trading in Same Securities as Clients

Stage Harbor allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients. Owning the same securities we recommend (purchase or sell) to you presents a conflict of interest that, as fiduciaries, we must disclose to you and mitigate through policies and procedures. As noted above, we have adopted the Code to address insider trading (material non-public information controls); gifts and entertainment; outside business activities and personal securities reporting. When trading for personal accounts, Supervised Persons may have a conflict of interest if trading in the same securities. The fiduciary duty to act in the best interest of its Clients can potentially be violated if personal trades are made with more advantageous terms than Client trades, or by trading based on material non-public information. This risk is mitigated by Stage Harbor requiring reporting of personal securities trades by its Supervised Persons for review by the Chief Compliance Officer ("CCO") or delegate. We have also adopted written policies and procedures to detect the misuse of material, non-public information.

Personal Trading at Same Time as Client

While Stage Harbor allows our Supervised Persons to purchase or sell the same securities that may be recommended to and purchased on behalf of Clients, such trades are typically traded after Client orders. At no time will Stage Harbor, or any Supervised Person of Stage Harbor, transact in any security to the detriment of any Client.

Item 12. Brokerage Practices**Recommendation of Custodian[s]**

Stage Harbor does not have discretionary authority to select the broker-dealer/custodian for custody and execution services. The Client will engage the broker-dealer/custodian (herein the "Custodian") to safeguard Client assets and authorize Stage Harbor to direct trades to the Custodian as agreed upon in the investment advisory agreement. Further, Stage Harbor does not have the discretionary authority to negotiate commissions on behalf of our Clients on a trade-by-trade basis.

Where Stage Harbor does not exercise discretion over the selection of the Custodian, it may recommend the Custodian[s] to Clients for custody and execution services. Clients are not obligated to use the Custodian recommended by the Advisor and will not incur any extra fee or cost associated with using a Custodian not recommended by Stage Harbor. However, the Advisor may be limited in the services it can provide if the recommended Custodian is not engaged. Stage Harbor may recommend the Custodian based on criteria such as, but not limited to, reasonableness of commissions charged to the Client, services made available to the Client, its reputation and/or the location of the Custodian's offices.

Stage Harbor will generally recommend that Clients establish their account[s] at Fidelity Clearing & Custody Solutions, a related entity of Fidelity Investments, Inc. (collectively "Fidelity"), a FINRA-registered broker-dealer and member SIPC. Fidelity will serve as the Client's "qualified custodian". AA maintains an institutional relationship with Fidelity, whereby the Advisor receives economic benefits from Fidelity. Please see Item 14 below.

Soft Dollars - Soft dollars are revenue programs offered by broker-dealers/custodians whereby an advisor enters into an agreement to place security trades with a broker-dealer/custodian in exchange for research and other services. Stage Harbor does not participate in soft dollar programs sponsored or offered by any broker-dealer/custodian. However, the Advisor receives certain economic benefits from the Custodian.

Please see Item 14 below.

Brokerage for Client Referrals - Stage Harbor does not consider, in selecting or recommending broker-dealers/custodians, whether the Advisor receives Client referrals from the Financial Institutions or other third party.

Directed Brokerage - The Client may direct Stage Harbor in writing to use a particular Financial Institution to execute some or all transactions for the Client. In that case, the Client will negotiate terms and arrangements for the account with that Financial Institution and the Advisor will not seek better execution services or prices from other Financial Institutions or be able to “batch” Client transactions for execution through other Financial Institutions with orders for other accounts managed by Stage Harbor (as described above). As a result, the Client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Stage Harbor may decline a Client’s request to direct brokerage if, in the Advisor’s sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

Aggregating and Allocating Trades

Although Stage Harbor does not aggregate or “batch” trades, the primary objective in placing orders for the purchase and sale of securities for Client accounts is to obtain the most favorable net results taking into account such factors as 1) price, 2) size of order, 3) difficulty of execution, 4) confidentiality and 5) skill required of the Custodian. Stage Harbor will execute each transaction through the Custodian designated by the Client. Stage Harbor will seek to execute securities transactions by the close of each business day and will be allocated in a manner that is consistent with the initial pre-allocation or other written statement. This must be done in a way that does not consistently advantage or disadvantage any particular Client accounts.

Item 13. Review of Accounts

Account Reviews

Stage Harbor monitors Client portfolios on a continuous and ongoing basis while regular account reviews are conducted on at least a quarterly basis. Such reviews are conducted by the Advisor’s investment committee, while individual accounts are reviewed by the Client’s respective Advisory Person. All Clients are encouraged to discuss their needs, goals and objectives with Stage Harbor and to keep the Advisor informed of any changes thereto. The Advisor contacts Clients at least annually to review its previous services and/or recommendations and quarterly to discuss the impact resulting from any changes in the Client’s financial situation and/or investment objectives.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the Financial Institutions where their assets are custodied. From time-to-time or as otherwise requested, Clients may also receive written or electronic reports from Stage Harbor and/or an outside service provider, which contain certain account and/or market-related information, such as an inventory of account holdings or account performance. Clients should compare the account statements they receive from their custodian with any documents or reports they receive from Stage Harbor or an outside service provider.

Item 14. Client Referrals and Other Compensation

Other Compensation Received by Stage Harbor

Participation in Institutional Advisor Platform

Stage Harbor receives without cost from Fidelity administrative support, computer software, related systems support, as well as other third party support as further described below (together "Support") which allow Stage

Harbor to better monitor Client accounts maintained at Fidelity and otherwise conduct its business. Stage Harbor receives the Support without cost because the Advisor renders investment management services to Clients that maintain assets at Fidelity. The Support is not provided in connection with securities transactions of Clients (i.e., not “soft dollars”). The Support benefits Stage Harbor, but not its Clients directly. Clients should be aware that Stage Harbor’s receipt of economic benefits such as the Support from Fidelity creates a conflict of interest since these benefits may influence the Advisor’s choice of Fidelity over another that does not furnish similar software, systems support or services. In fulfilling its duties to its Clients, Stage Harbor endeavors at all times to put the interests of its Clients first and has determined that the recommendation of Fidelity is in the best interest of Clients and satisfies the Advisor’s duty to seek best execution. Furthermore, the Advisor believes that similar transition support would be made available by many broker-dealers/custodians and was not a reason that the Advisor chose Fidelity. Instead, the Advisor chose Fidelity because it is privately owned and is investing in the advisor industry, its technology, and its local presence in the Advisor’s area as well as Client’s knowledge of and preferences toward Fidelity.

Specifically, Stage Harbor receives the following benefits from Fidelity: i) receipt of duplicate Client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and iv) access to an electronic communication network for Client order entry and account information.

Fidelity also makes available to the Advisor, at no additional charge, certain research and brokerage services, including research services obtained by Fidelity directly from independent research companies, as selected by Stage Harbor (within specified parameters). These research and brokerage services are used by the Advisor to manage accounts for which it has investment discretion. Stage Harbor also receives additional transition support for the Advisor’s initial business and to help transfer accounts to Fidelity. The support is used for services, including: i) temporary staffing in connection with transferring Client accounts; ii) technology implementation, customization, licensing fees and installation charges; iii) registration and compliance support; and iv) Client events.

Client Referrals

The Advisor does not currently provide compensation to any third-party solicitors for Client referrals.

Item 15. Custody

All Clients must place their assets with a “qualified custodian”. Clients are required to engage the Custodian to retain their funds and securities and direct Stage Harbor to utilize that Custodian for the Client’s security transactions. Clients should review statements provided by the Custodian and compare to any reports provided by Stage Harbor to ensure accuracy, as the Custodian does not perform this review. For more information about custodians and brokerage practices, see Item 12 - Brokerage Practices.

In certain instances, Advisory Persons of Stage Harbor serve as trustee for certain Client accounts of Stage Harbor. In one’s role as trustee, an Advisory Person may have the authority and ability to transfer assets or securities. As such, Stage Harbor is deemed to have custody over certain Clients’ cash, bank accounts or securities as part of its advisory services, pursuant to securities regulations. Stage Harbor is required to engage an independent accounting firm to perform an annual surprise examination of those assets and accounts over which Stage Harbor maintains custody. Any related opinions issued by an independent accounting firm are filed with the SEC and are publicly available on the SEC’s Investment Adviser Public Disclosure website (<http://adviserinfo.sec.gov>). Clients are encouraged to review the statements received by both Stage Harbor as well as the statements from the trusts and estates banks and custodians.

Additionally, if the Client gives the Advisor authority to move money from one account to another account, the Advisor may have custody of those assets. In order to avoid additional regulatory requirements in these cases, the Custodian and the Advisor have adopted safeguards to ensure that the money movements are completed in

accordance with the Client's instructions.

Item 16. Investment Discretion

Stage Harbor generally has discretion over the selection and amount of securities to be bought or sold in Client accounts without obtaining prior consent or approval from the Client. However, these purchases or sales may be subject to specified investment objectives, guidelines, or limitations previously set forth by the Client and agreed to by Stage Harbor. Discretionary authority will only be authorized upon full disclosure to the Client. The granting of such authority will be evidenced by the Client's execution of an investment advisory agreement containing all applicable limitations to such authority. All discretionary trades made by Stage Harbor will be in accordance with each Client's investment objectives and goals.

Item 17. Voting Client Securities

Stage Harbor accepts the authority to vote a Client's securities (i.e., proxies) on their behalf. When Stage Harbor accepts such responsibility, it will only cast proxy votes in a manner consistent with the best interest of its Clients. Absent special circumstances, which are fully-described in the Advisor's Proxy Voting Policies and Procedures, all proxies will be voted consistent with guidelines established and described in Stage Harbor's Proxy Voting Policies and Procedures, as they may be amended from time-to-time. Clients may contact Stage Harbor to request information about how the Advisor voted proxies for that Client's securities or to get a copy of Stage Harbor's Proxy Voting Policies and Procedures.

A brief summary of Stage Harbor's Proxy Voting Policies and Procedures is as follows:

- Stage Harbor has formed a Proxy Voting Committee that will be responsible for monitoring corporate actions, making voting decisions in the best interest of Clients, and ensuring that proxies are submitted in a timely manner.
- The Proxy Voting Committee will vote proxies according to Stage Harbor's then current Proxy Voting Guidelines. The Proxy Voting Guidelines include many specific examples of voting decisions for the types of proposals that are most frequently presented, including: composition of the board of directors; approval of independent auditors; management and director compensation; anti-takeover mechanisms and related issues; changes to capital structure; corporate and social policy issues; and issues involving mutual funds.
- Although the Proxy Voting Guidelines are followed as a general policy, certain issues are considered on a case-by-case basis based on the relevant facts and circumstances. Since corporate governance issues are diverse and continually evolving, the Advisor devotes an appropriate amount of time and resources to monitor these changes.
- Clients cannot direct Stage Harbor's vote on a particular solicitation but can revoke the Advisor's authority to vote proxies.

In situations where there is a conflict of interest in the voting of proxies due to business or personal relationships that Stage Harbor maintains with persons having an interest in the outcome of certain votes, the Advisor takes appropriate steps to ensure that its proxy voting decisions are made in the best interest of its Clients and are not the product of such conflict.

Item 18. Financial Information

Neither Stage Harbor, nor its management, have any adverse financial situations that would reasonably impair the ability of Stage Harbor to meet all obligations to its Clients. Neither Stage Harbor, nor any of its Advisory Persons, has been subject to a bankruptcy or financial compromise. Stage Harbor is not required to deliver a balance sheet

along with this Disclosure Brochure as Stage Harbor does not collect advance fees of \$1,200 or more for services to be performed six months or more in the future.