

**Item 1 – COVER PAGE**

**Form ADV 2A Disclosure Brochure**

**Retirement Plan, Financial Planning, Consulting & Portfolio Management**

**CAPITAL INSIGHT PARTNERS, LLC  
7328 EAST DEER VALLEY ROAD, STE. 105  
SCOTTSDALE, ARIZONA 85255  
(480) 295-7070**

**[www.capitalinsightpartners.com](http://www.capitalinsightpartners.com)**

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**This brochure provides information about the qualifications and business practices of Capital Insight Partners' financial planning, consulting and retirement plan advisory services. If you have any questions about the contents of this brochure, please contact us at (480) 295-7070. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority. Additional information about Capital Insight Partners is also available on the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Although a Registered Investment Advisor with the Securities and Exchange Commission, such registration does not imply a certain level of skill or training.**

**Item 2        MATERIAL CHANGES SINCE LAST UPDATING AMENDMENT  
FILED:**

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

Capital Insight Partners, LLC (“**Capital Insight**”), offers the following services where appropriate to individuals, families, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities. While providing these services, Capital Insight charges advisory fees which do not include the cost of transaction commissions. The firm also offers a “wrap fee” investment management service program, described in a separate brochure, where the advisory fee covers our fee and certain transaction commissions. Capital Insight has been in business since August 15, 2008. Principal owners are Steven T. Nelson, CFA and Susan C. Anastasiadis. The firm is not affiliated with any other firm.

***Financial Planning Service:*** For clients who wish and purchase this service for an additional fee, Capital Insight provides advice in the form of a financial plan. A financial plan is an in-depth analysis of all areas of a client's financial life. The essence of a financial plan is to clearly understand the client's wishes and goals, and to create a set of action plans and financial structures to achieve those ends. Clients purchasing this service will receive a written report, providing the client with a detailed financial plan designed to achieve his or her stated financial goals and objectives.

In general, the financial plan will address any or all of the following areas of concern:

- **PERSONAL:** Family records, budgeting, personal liability, estate information and financial goals.
- **TAX & CASH FLOW:** Income tax and spending analysis and planning for past, current and future years. Capital Insight will illustrate the impact of various investments on a client's current income tax and future tax liability.
- **RETIREMENT:** Analysis of current strategies and investment plans to help the client achieve his or her retirement goals. We develop models of the client's anticipated retirement lifestyle and then analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **INVESTMENTS:** Analysis of investment alternatives and their effect on a client's portfolio.
- **EDUCATION:** Evaluation of education funding objectives, specific school costs and funding alternative.
- **INSURANCE:** Analysis of financial exposure due to catastrophic illness, lost wages, death and property loss.
- **ESTATE PLANNING:** Review and analysis of strategies to preserve an estate and distribute it according to client wishes. We assist the client in assessing and developing long-term strategies.
- **BUSINESS PLANNING:** Review and analysis of a client's business, and how it fits within the client's financial goals.

Capital Insight also offers specific financial planning services focusing on the needs of corporate executives. These arrangements may include the financial planning aspects above and other specific needs of the particular executive. Capital Insight's financial planning corporate program includes the ability to engage Capital Insight to periodically review and update the executive financial plans.

As part of the financial planning process, Capital Insight gathers required information through in-depth personal interviews. Information gathered includes a client's current financial status, future goals and attitudes towards risk. Related documents supplied by the client are carefully reviewed, including a questionnaire completed by the client, and a written report is prepared, usually within six months of the contract date, provided that all information needed to prepare the financial plan has been promptly provided.

Should a client choose to implement the recommendations contained in the plan, Capital Insight suggests the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

Clients are also free to select any brokerage, insurance or other product provider to purchase or sell the investments, insurance or other products discussed. If a client chooses to work with a Capital Insight supervised person, that supervised person may also be registered as a representative of M.S. Howells & Co., a registered broker-dealer or licensed with various insurance companies. As such, these supervised persons may receive commissions on securities and insurance products purchased through them in addition to the advisory fee.

***Consulting Service Description:*** Clients can also receive planning or other "project" advice on a more limited consulting service basis. This may include advice on only an isolated area(s) of concern such as estate planning, retirement planning, reviewing a client's existing portfolio, or any other specific topic. Capital Insight also provides specific consultation and administrative services regarding investment and financial concerns of the client.

Additionally, Capital Insight provides advice on non-securities matters. Generally, this is in connection with the rendering of estate planning, insurance, and/or annuity advice.

Capital Insight offers a wrap fee program which is described in our Form ADV, Part 2A Appendix 1 brochure. There is no difference in the management approach regarding wrap fee accounts versus those which do not participate in the wrap fee program. Capital Insight receives a portion of the wrap fee for our services.

***Retirement Plan Consulting & Management Service:*** Capital Insight provides advisory services to pension, profit sharing and 401(k) plans. Depending on the service levels the client may choose, we can provide the following:

ERISA Section 3(21) Plan Investment Advisory Services: Capital Insight can perform non-discretionary investment advisory services at the retirement plan level as described below:

- (1) We will review and/or prepare the plan's IPS, including assessing the following: (a) the criteria for selecting money managers and the due diligence procedures that the plan followed in selecting its money managers and/or mutual funds; (b) the basis for asset mix and rebalancing limits; (c) the performance measurement criteria; (d) monitoring procedures of money managers and other investment-related vendors; (e) composition and relevancy of quarterly performance reports; (f) composition of custodial reports; and (g) termination procedures for money managers.
- (2) We will advise the client of appropriate investment categories for client's retirement plan consistent with client's adopted policy statement.
- (3) We will advise client of appropriate asset/investment instruments which are consistent with the investment categories selected by client.
- (4) We will monitor performance of the investment choices of client and provide periodic advice regarding possible changes to the investment selections.
- (5) Client shall have ultimate authority for selecting the investments for client's retirement plan.

ERISA 3(38) Plan Investment Management Services: Capital Insight can perform discretionary investment management services at the plan level as described below: Note: this service is distinct from the Section 3(21) services described above.

- (1) We will review and/or prepare the plan's IPS, including assessing the following: (a) the criteria for selecting money managers and the due diligence procedures that the plan followed in selecting its money managers and/or mutual funds; (b) the basis for asset mix and rebalancing limits; (c) the performance measurement criteria; (d) monitoring procedures of money managers and other investment-related vendors; (e) composition and relevancy of quarterly performance reports; (f) composition of custodial reports, and (g) termination procedures for money managers.
- (2) For participant-directed individual account plans, the IPS will set forth the number of general investment options and asset class categories to be offered to plan participants. The goal is to provide a menu of investments that will allow for the creation of well-diversified portfolios designed for long-term appreciation and capital preservation through a mix of equity and fixed income exposures.
- (3) Once a client approves the IPS, we will review the investment options available through the plan and will notify the plan's recordkeeping as to our instructions to add, remove and/or replace specific "core" investment options to be offered to plan participants that meet the criteria set forth in the IPS. We will monitor the core investment options, and on a regular basis, provide reports to client and instructions to the plan's recordkeeper to remove and/or replace investment that no longer meets the IPS criteria.
- (4) We will retain final decision-making authority with respect to removing and/or replacing investments in the core lineup, and the client will not have further responsibility to communicate instructions to any third-party, including the plan's recordkeeper, custodian and/or third-party administrator.
- (5) We will monitor investments in the plan's accounts with Custodian and shall implement changes to investment selections as we deem appropriate.

Non-Fiduciary Services: Capital Insight can perform the non-fiduciary services described below:

- (1) We will meet with representatives of client, at intervals mutually acceptable to client and us, to discuss investment performance.
- (2) We will provide client with a quarterly report regarding: (a) performance of each investment selected by client for client's plan; and (b) performance of one or more comparative benchmarks.
- (3) We will assist client with selection of any plan service providers as requested, but client shall be ultimately responsible for selecting other plan service providers.
- (4) We will contact client at least annually to determine if there have been any changes in client's financial situation or investment objective(s), and will remind client at least quarterly, in writing, that client should inform us if there have been (or are anticipated to be) any such changes.
- (5) As request, we will conduct informational/educational group meetings with plan participants at initial installation of the plan, and periodically thereafter in the scope and frequency mutually agreed upon between client and us regarding: (i) general investment concepts; (ii) investment objectives and performance of selected investments; (iii) investment allocations and strategies available to meet various investment objectives; and (iv) education related to basic retirement planning concepts and strategies.

Capital Insight's assistance in participant investment education shall be consistent with and within the scope of the definition of investment education found in Department of Labor Interpretive Bulletin 96-1 unless we have agreed to provide individual investment advice concerning the prudence of any investment.

As of December 31, 2017, discretionary assets under management for Capital Insight were \$393,407,764. AUM for the company's non-discretionary business on that same date was \$6,580,711.

Capital Insight no longer offers investment management services under a "non-wrap" fee program, although we still service historical accounts which continue to be charged for investment management services under this program. Due to this it is possible that clients receiving the same investment management services may be charged different fees. Capital Insight currently offers investment management services under a "wrap" fee platform, where brokerage and other transaction charges are wrapped into the advisory fee and not charged to the client separately. For more details on this program see our ADV Part 2A, Appendix 1.

#### **Item 5 – FEES AND COMPENSATION:**

***Financial Planning Service Fees:*** Financial Planning fees are negotiated and will be charged in one or more of the ways listed below:

- (a) ***Flat Fee:*** Capital Insight may charge a flat of fixed fee which can range up to \$5000 depending on the size and complexity of the financial plan. All fees are negotiable. The estimated fee will be agreed upon at the time of signing the agreement. A retainer of \$500 will also be collected at that time to begin services. The effective period of the agreement is twelve months, and during that period the client will be presented with progress billings as the work is completed. Invoices will specify the elements of the completed planning work they represent. Once the total fee is paid, there will be no further charges for the financial planning project. Should the client terminate the agreement prior to the retainer being earned, a refund of the balance will be returned to the client.
- (b) ***Hourly Fee:*** Capital Insight may also charge on an hourly basis. Capital Insight's hourly rate is \$125 to \$400 per hour, depending on the scope of services requested, reports requested and the Capital Insight staff member providing services. A retainer of \$500 will be collected at the signing of the agreement. Client will be presented with progress billings as the work is completed. Invoices will specify the elements of the completed planning work they represent. Once the total fee is paid, there will be no further charges for the financial planning project. Should the client terminate the agreement prior to the retainer being earned, a refund of the balance will be returned to the client.

It is Capital Insight's policy not to hold client funds greater than \$500 for more than 6 months or more in advance of completion of the financial plan. Fees may be held longer if clients do not provide required information.

***Consulting Service Fees:*** Fees are negotiable and are charged in one or more of the ways listed below:

- (a) ***Flat Fee:*** Capital Insight charges a flat fee of \$2,500 for consulting services depending on the nature and complexity of each client's circumstances. Capital Insight charges a flat fee between \$7,500 and \$25,000 for consulting services involving assets over \$2,000,000, depending on the nature and complexity of each client's circumstances. Up to 50% of the estimated fee may be due upon signing the advisory agreement, with the balance due upon completion of the consulting service.
- (b) ***Hourly Fee:*** Capital Insight may also charge on an hourly basis. Capital Insight's hourly rate is \$125 to \$400 per hour, depending on the Capital Insight staff member providing services. Up to 50% of the estimated fee may be due upon signing the advisory agreement, with the balance (based on actual hours) due upon completion of the consulting service.

Typically the consulting service will be completed within 180 days of the contract date, provided that all information needed to complete the consulting service has been promptly provided by the client.

It is Capital Insight's policy not to hold client funds greater than \$500 for more than 6 months or more in advance of completion of the consulting service.

**On-Going Services Description:** Often, clients may want to continue the financial planning or consulting service arrangement by having on-going or continuous services provided to review the progress of the advice given to evaluate and make plans for the future.

**Fee Schedule:** On-going services will be billed at a negotiated fee as specified below.

(a) **Quarterly Retainer:** Capital Insight may charge a quarterly retainer for on-going consultation services. The quarter fee is negotiated based on the services requested by the client and the nature and complexity of the client's circumstances. The fee is due in advance within 30 days of each quarter end by invoice.

(b) **Flat Annual Fee:** Capital Insight may charge a flat annual fee for on-going consultation services. The flat annual fee is negotiated based on the services requested by the client and the nature and complexity of the client's circumstances. The fee is adjusted on a yearly basis with revised annual fees quoted in advance. The fee may be paid in installments in advance of services on a schedule agreed to at the time of entering into the contract.

**Retirement Plan Consulting and Management Service Fees:** Capital Insight typically bases its fees on a percentage of assets under management; however, we may also use hourly charges, fixed fees, and commissions under limited circumstances.

If we charge fees based on plan assets, we cannot be paid any additional commissions or 12b-1 fees from the investments or products offered in the plan. However, if the investment product is contractually structured so that commissions or 12b-1 fees are paid to us, we will use those payments to offset our advisory fees.

Some plans may offer participants the opportunity to purchase stocks and bonds through an open brokerage window offered by the custodian. The custodian or brokerage firm charges a fee for these stock and bond trades. Capital Insight does not receive compensation, in any form, from fund companies, and does not charge an investment management fee on assets a participant holds in an open brokerage window.

The annual fee is charged as a percentage of assets under management, paid quarterly in arrears, after services are provided. Capital Insight's fee generally follows this schedule:

<u>Assets Under Management</u>	<u>Annual Percentage</u>
First \$250,000	1.00%
\$250,001 to \$500,000	0.75%
\$500,001 to \$1,000,000	0.50%
\$1,000,000 to \$10,000,000	0.25%
Over \$10,000,000	0.20%

All fees are negotiable; this may also vary depending on the nature of the client's individual needs, account dollar size and the particular management services requested by the client. Fees are billed quarterly, in arrears, meaning that we invoice you after the three month billing period has ended. Payment in full is expected upon invoice presentation. Advisory fees may be paid by the plan sponsor or may be deducted from plan assets. In either case, a quarterly fee statement is delivered to, and authorized for payment by, the plan trustee. Company-paid plans may send payments directly to Capital Insight, in addition some company paid plans and participant-paid plans have the fees processed by the third party administrator for payment directly from the custodian.

When an account is opened, a pro-rated fee for the time the account was open is applied in the first quarterly billing.



A minimum annual fee of \$1,000.00 is required for this service. Should account assets be unable to pay the minimum fee under this schedule, fees will be billed to the plan sponsor until such time that the account assets can support payment of this minimum annual fee. This account size may be negotiable under certain circumstances. Capital Insight may group certain related accounts for the purposes of achieving the minimum account size and determining the annualized fee.

Capital Insight provides hourly services for clients who need consulting services on a limited scope basis. A custom investment advisory agreement which details the nature of the project, the costs and other details is executed for such engagements. The hourly rate for limited scope engagements is \$125 to \$400 per hour depending on the expertise needed to complete the project.

Custodians may charge custodial fees or transaction fees on purchases and sales of certain mutual funds and exchange-traded funds.

All fees paid to Capital Insight for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of Capital Insight. In that case, the client would not receive the services provided by Capital Insight which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Capital Insight to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Capital Insight will credit any net commissions received by the firm, 12b-1 or other fees from the clients' quarterly billings.

Some representatives of Capital Insight may also be Registered Representatives of M.S. Howells & Co., a registered broker-dealer. As such, in addition to providing investment advice, the representatives of Capital Insight may engage in the business of selling insurance and securities. Capital Insight may receive economic benefit (commissions) in connection with the sale of these products. The act of recommending and being compensated for the purchase of products may represent a conflict of interest with the practice of giving investment advice to clients. Whenever such conflict might arise, we will make every effort to fully disclose these conflicts to clients prior to or along with the product recommendation. See Item 10 - Financial Industry Activity for additional information.

#### **General Information On Fees And Services**

***Risk:*** Capital Insight does not guarantee the results of any service and losses can occur from receiving any of the firm's services.

***Negotiability of Fees and Minimums:*** All fees and account minimum requirements are negotiable.

***Termination of Advisory Relationship:*** A client agreement may be canceled at any time, by either party, for any reason upon receipt of prior written notice, in accordance with the advisory agreement. Upon termination of any account, any prepaid, unearned fees will be promptly refunded, and any earned, unpaid fees will be due and payable by the client.

***Mutual Fund Risks:*** Before investing in mutual funds, clients should understand that mutual funds and annuities are not insured by the FDIC, or any other federal government agency and are not deposits or obligations of, guaranteed by, or insured by, the depository institution where offered or any of its affiliates. Mutual funds and annuities involve investment risk and may lose value.

***Mutual Fund Internal Fees and Expenses:*** All fees paid to Capital Insight for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales

charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without the services of Capital Insight. In that case, the client would not receive the services provided by Capital Insight which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and the fees charged by Capital Insight to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided. Capital Insight will credit any net commissions received by the firm, 12b-1 or other fees from the clients' quarterly billings.

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

The firm has the ability to, but in its history has not had any performance based fee arrangements. If we manage accounts with a performance based fee in the future, that would represent a conflict of interest with accounts paying fees under different arrangements e.g., hourly or flat fees and percentage of asset methods. Capital Insight will seek to be equitable in its work on behalf of clients, but our firm and supervised persons would have an incentive to favor accounts for which we receive performance based fees.

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

Capital Insight offers advisory services, where appropriate, to individuals, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, and other business entities.

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

Investing in securities involves **RISK OF LOSS. CLIENTS** should be prepared to bear such loss.

Capital Insight uses both technical and fundamental analysis in managing assets. The company uses financial newspapers and magazines, inspections of corporate activities, third party research materials, corporate rating services, annual filings with the Securities and Exchange Commission as well as company press releases. Again, *clients* should understand that *investing involves risk* and the **client must bear that risk**.

Capital Insight uses a number of investment strategies. Where appropriate, they utilize long term purchasing (securities held at least a year). Short term purchasing (securities sold within a year) also is used but the short term tax issues are considered before sales. Trading is used where appropriate. Short sales, margin transactions, and option writing are used but only where suitable in a client by client basis.

Investment advice may be offered on any investments held by a client at the start of the advisory relationship, including but not limited to, limited partnerships, private placement partnerships, and hedge funds. Recommendations for new investments will typically be equity securities, warrants, corporate debt securities, commercial paper, certificates of deposit, municipal securities, investment company securities, US Government securities, options contracts, futures contracts, and interests in partnerships involving real estate.

The risk of loss is possible with every investment strategy we employ. For stocks we utilize a Growth At A Reasonable Price or GARP approach. This permits the firm to purchase both value and growth stocks on behalf of clients. With Bonds, we typically focus on investment grade (rated Baa or better by a rating agency) but can also use more risky non-investment grade (so called "junk or high-yield" bonds). Lower rated bonds are considered more risky than investment grade bonds but the risk of loss is present with either one. Certain strategies like options, private placements and other holdings may have additional risks like illiquidity, reliance on management, leverage, unfavorable tax consequences etc. Although the firm does not employ a frequent trading strategy, all trading costs, including commissions and markups cost the client money and can increase the risk of loss.

All investment programs have certain risks that are borne by the investor. Investors may face the following investment risks:

- Interest-rate risk: Fluctuations in interest rates may cause investment prices to fluctuate.
- Market risk: The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions.
- Inflation risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Currency risk: Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country.
- Reinvestment risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return.
- Business risk: These risks are associated with a particular industry or a particular company within an industry

Capital Insight does not guarantee the results of the advice given. Thus significant losses can occur by investment in any security, or by following any strategy, including those recommended or applied by Capital Insight.

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

Neither the firm nor any management person has a disciplinary disclosure to report.

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

Susan Anastasiadis is a registered representative with broker dealer M.S. Howells & Co., an unaffiliated broker-dealer (“**M.S. Howells**”). The same relationship with M.S. Howells exists for other supervised advisory personnel in our firm. These individuals, in their separate capacity, can effect securities transactions for which they would receive separate, yet customary compensation. To avoid any conflict of interest, we disclose to clients the existence of the conflict; clients are not obligated to purchase any recommended investment products through our personnel, and we monitor these activities to verify that any conflicts of interest is properly addressed.

Other potential conflicts of interest with our clients are as follows:

Capital Insight has relationships with other entities and firms that we believe are helpful to serving our clients. Examples include broker-dealers including M.S. Howells, but others as well, banks, accountants, attorneys, insurance companies, consultants on pensions and other matters, real estate brokers and dealers and the sponsors and syndicators of limited partnerships. These relationships can give rise to conflicts of interest where our firm or supervised persons would benefit in addition to the client's benefit. We disclose this to the client and work to act in the client's best interest.

Capital Insight may also have relationships with other investment advisers who manage money or advise on our client's funds, or support our firm in other ways. This can create a direct or indirect material conflict of interest. We disclose this to the client and work to act in the client's best interest.

#### **Item 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

Capital Insight has established a Code of Ethics applicable to all persons at the firm who have access to confidential client records or to recommendations being made for client accounts. It is designed to prevent conflicts of interest between the financial interests of clients and the interests of the firm's staff. The Code requires such "access persons" to obtain preapproval of certain securities transactions, to report transactions quarterly and to report all securities positions in which they have a beneficial interest at least annually. These reporting requirements allow supervisors at the firm to determine whether to allow or prohibit certain employee securities purchases and sales based on transactions made, or anticipated to be made, in the same securities for client accounts. The Code also establishes certain bookkeeping requirements relating to the new federal reporting rules. The Code is required to be reviewed annually and updated as necessary. A complete copy of the firm's Code is available upon request by calling us at 480-295-7070.

Capital Insight may recommend securities in which an employee or related party has a material financial interest. As conflicts like this arise, Capital Insight fully discloses to the client that conflict.

Capital Insight or individuals associated with Capital Insight may buy or sell securities identical to, or different from, those recommended to clients for their personal accounts. To eliminate the conflict of interest, employees may not trade within 24 hours of a client block trade unless included in that block. Additionally, all trading done by employees must be preapproved by the Chief Compliance Officer.

In instances where Capital Insight Partners determines a specific investment needs to be bought or sold in multiple client accounts these may be aggregated into a single transaction known as a block trade. Each client account included in the block trade will receive the same price. Access persons of Capital Insight Partners may be included in the block trade and, if so, will receive the same price as the clients included in the block trade. If a block trade is partially executed it will be re-entered unless other instructions are provided by the portfolio manager(s). Partially executed block trades will be allocated across all participating accounts proportionally.

#### **Item 12 - BROKERAGE PRACTICES**

Capital Insight does not have the discretionary authority to determine the broker-dealer to be used, thus clients must direct Capital Insight as to the broker-dealer to be used, except in those instances where a transaction is placed with a third-party brokerage firm and settled through the client's selected brokerage firm. For clients receiving investment management services Capital Insight will recommend that clients establish brokerage accounts with qualified custodians. Capital Insight may recommend various custodians, depending on the types of services and size of the account, the custodians may include, but are not limited to, Schwab Institutional division of Charles Schwab & Co., Inc., a registered broker-dealer, member FINRA/SIPC, Pershing, Inc., AssetMark Trust, or MidAtlantic Trust Company for custodial services (all collectively known as "Custodians"). Capital Insight is independently owned and operated and not affiliated with Custodians. Custodians provide Capital Insight with access to their institutional trading and custody services, which are typically not available to retail investors. For Schwab Institutional, these services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$10 million of the advisor's clients' assets are maintained in accounts at Schwab Institutional. It is not otherwise contingent upon Capital Insight committing to Schwab Institutional any specific amount of business (assets in custody or trading). Custodian services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

When transferring accounts to Custodians, they may pay transfer costs imposed by other firms on

customers making the transfers. These payments also create a conflict of interest when recommending their custodial services.

Custodians also may make available to Capital Insight other products and services that benefit Capital Insight but may not benefit its clients' accounts. Some of these other products and services assist Capital Insight in managing and administering clients' accounts. These include software and other technology that provide access to client account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of Capital Insight fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting. Many of these services generally may be used to service all or a substantial number of Capital Insight accounts, including accounts not maintained at Custodians. Custodians also make available to Capital Insight other services intended to help Capital Insight manage and further develop its business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, Custodians may make available, arrange and/or pay for these types of services provided to Capital Insight by independent third parties. Custodians may discount or waive fees they would otherwise charge for some of these services or pay all or a part of the fees of a third-party providing these services to Capital Insight. While as a fiduciary, Capital Insight endeavors to act in its clients' best interests, Capital Insight's recommendation that clients maintain their assets in accounts at Custodian may be based in part on the benefit to Capital Insight of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by Custodian, which may create a potential conflict of interest.

For Capital Insight client accounts maintained in its custody, Custodians generally do not charge separately for custody but are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through Custodians or that settle into Custodian accounts.

In directing the use of a particular broker-dealer, it should be understood that Capital Insight will not have authority to negotiate commissions or obtain volume discounts, and best execution may not be achieved. In addition, a disparity in commission charges may exist between the commissions charged to other clients.

Capital Insight Managers may "block" (combine) similar client orders in the same security to obtain an average price. The Capital Insight manager may include the manager's or other employee's own transaction in the block. When doing so, a conflict of interest exists because the manager, the originator of the block, or another employee, will also obtain an average price if the block trade is executed.

Some representatives of the firm are separately licensed as registered representatives of M.S. Howells, a FINRA registered broker-dealer. As such, they will be able to effect securities transactions for Capital Insight clients, in their capacity as registered representatives of M.S. Howells. For doing so, they will be able to receive customary brokerage compensation, which is separate and distinct from Capital Insight's advisory fees.

M.S. Howells is required to supervise the securities trading activities of its representatives. Clients may request that brokerage transactions be directed to a particular broker-dealer, other than M.S. Howells or Schwab. However, if M.S. Howells or Custodian believes that the use of that broker-dealer would hinder M.S. Howells or Custodian in meeting its supervisory obligations, Capital Insight will not be able to accept the account. Also, the designation of a specific broker-dealer may limit Capital Insight's ability to receive research, negotiate commissions and to batch client orders with those of other clients to obtain an average price on investments purchased or sold. Thus, by designating a specific broker, these and other benefits may be lost.

For some clients, Capital Insight portfolio managers may open "omnibus" accounts at certain broker-

dealers when they believe such firms can better facilitate certain transactions for the clients. The brokerage firms opening such accounts do not name the client on the account but instead use the account to facilitate purchase and sale transactions for Capital Insight and then send transaction information to the client's brokerage firm which does have custody of the client's account. Capital Insight portfolio managers review the confirmations after such transactions occur to be sure proper execution and delivery of securities and funds are made to the client's account custodian.

Clients receiving financial planning and consulting services select their own broker-dealers, custodians, and/or insurance companies. Those giving advice may be separately licensed as registered representatives of M.S. Howells. As such, they will be able to effect securities transactions for Capital Insight clients, in their capacity as registered representatives of M.S. Howells. For doing so, they will be able to receive customary brokerage compensation, which is separate and distinct from Capital Insight's advisory fees.

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

**Retirement Plan Consulting and Management Review:** While the underlying securities within accounts are continuously monitored, the accounts are reviewed at least quarterly by a portfolio manager of Capital Insight. Accounts are reviewed in the context of each client's stated investment objectives and guidelines.

**Financial Planning and Consulting Review:** Capital Insight will provide reviews as contracted for at the inception of the advisory relationship.

More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

**Retirement Plan Consulting and Management Reports:** Clients may receive quarterly statements and confirmations of transactions from their respective broker-dealer and/or custodian. Clients should carefully review those reports. Capital Insight will not provide any additional regular reports.

**Financial Planning and Consulting Reports:** Capital Insight will provide reports as contracted for at the inception of the advisory relationship.

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

Representatives of Capital Insight may be separately licensed as registered representatives of M.S. Howells, a FINRA registered broker-dealer. As such, they will be able to effect securities transactions for Capital Insight clients, in their capacity as registered representatives of M.S. Howells. For doing so, they will be able to receive customary brokerage compensation (including 12b-1 distribution fees) in connection with the placement of clients' funds into investment companies, which is separate and distinct from Capital Insight's advisory fees.

Capital Insight has entered into referral arrangements where entities or individuals making the referral to Capital Insight receive a portion of the advisory fee on accounts referred to Capital Insight that become clients. Each referred client is provided with a written disclosure document describing the fee arrangement before the clients signs Capital Insight's services agreement.

Support services provided by Custodians constitute a form of indirect compensation, see Item 12 above for additional details.

### **Item 15 – CUSTODY**

Capital Insight generally does not have custody of client assets, except to the extent that it may be deemed to have custody as a result of various standing letters of authorization and similar agreements in place with its clients. The custodial firm will send quarterly or more frequent statements to the client.

The information in any ad hoc reports prepared by Capital Insight Partners should be carefully compared by the client to the official record which is the statement from the custodian.

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

Accounts may be managed on a nondiscretionary or discretionary basis. For discretionary clients, Capital Insight requests that it be provided with written authority to determine which securities and the amounts of securities that are bought or sold as well as, the time to buy and sell them. Any limitations on this discretionary authority shall be included in this written authority statement. Clients may change/amend these limitations as required. Such amendments shall be submitted in writing. Most accounts do not have limitations but examples we have had include excluding certain companies or industries or holding a certain percentage in cash.

**Order Errors:** Should an error occur in any Client's account as a result of Capital Insight's actions, the Client is made whole. Any losses or gains are assumed by Capital Insight.

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

Capital Insight will vote proxies for Discretionary Investment Management and Retirement Plan Management accounts where Capital Insight is hired as a 3(38) fiduciary and where the plan fiduciary has not reserved the right to vote proxies itself. Capital Insight is expressly prohibited from voting proxies where it has been hired as a 3(21) fiduciary.

Capital Insight's Policy and Procedures relating to voting proxies are designed to ensure that proxies are voted in the best interests of the clients. The Policies and Procedures do not apply to those situations where the client has retained voting discretion. In those situations, Capital Insight will cooperate with the client to ensure proxies are voted as directed by the client. In addition, Capital Insight will abide by specific voting guidelines on certain policy issues as requested by particular clients on a case-by-case basis.

**Primary Objective.** In general, proxies will be voted in a manner designed to maximize the value of client investments. In evaluating a particular proxy proposal, Capital Insight will take into consideration, among other things, the period of time over which the voting shares of the company are expected to be held, the size of the position, the costs involved in the proxy proposal and the existing governance documents of the affected company, as well as its management and operations. Proxy proposals that change the existing status of a company will be reviewed to evaluate the desirability of the change, and to determine the benefits to the company and its shareholders, but Capital Insight's primary objective is always to protect and enhance the economic interests of its clients.

Generally, it is Capital Insight's policy to vote in accordance with management's recommendations on most issues since the capability of management is one of the criteria used by Capital Insight in selecting stocks.

**Exceptions.** When Capital Insight believes management is acting on its own behalf, instead of on behalf of the well-being of the company and its shareholders, or when Capital Insight believes that management is acting in a manner that is adverse to the rights of the company's shareholders, Capital Insight will take steps to represent the interests of its clients and, as a result, may elect to vote against management's

recommendations.

In situations where Capital Insight is extremely displeased with management's performance, it may withhold votes or vote against management's slate of directors and other management proposals as a means of communicating its dissatisfaction. This occasion most often develops when Capital Insight believes that management has displayed a consistent inability or lack of interest in moving the company toward achieving its potential and that a message needs to be sent that the company's shareholders are not satisfied with the status quo.

Other Factors Capital Insight Considers. Capital Insight recognizes that the activity or inactivity of a company with respect to matters of social, political or environmental concern may have an effect upon the economic success of the company and the value of its securities. However, Capital Insight does not consider it appropriate, or in the interests of its clients, to impose its own moral standards on others. Therefore, it normally supports management's position on matters of social, political or environmental concern, except where it believes that a different position would be in the economic interests of company shareholders.

Conflicts. In evaluating a proxy proposal, the Chief Compliance Officer is ultimately responsible for considering whether there are any circumstances that may give rise to a conflict of interest in connection with voting client proxies either because of a business relationship between Capital Insight and the company or otherwise.

Voting Procedures. All proxy proposals are voted on an individual basis. In general, when a conflict exists, the Chief Compliance Officer determines whether the proxy may be voted by Capital Insight or whether it should be referred to the client (or another fiduciary of the client) for voting purposes. Alternatively, Capital Insight may consult directly with a client to obtain the client's consent before voting the proxies. Capital Insight will not refrain from voting proxies just because a conflict exists because Capital Insight has a fiduciary duty to take action on all proxies.

How To Obtain More Information. For additional information regarding Capital Insight's proxy voting policies and procedures and history, clients should contact us by writing to 7328 East Deer Valley Road, Ste. 105, Scottsdale, Arizona 85255, or calling (480) 295-7020.

In cases where clients retain proxy voting authority for themselves, the custodian or transfer agent will provide them with the proxy material. Clients may contact us at (480) 295-7070 if they have questions about a proxy solicitation.

## **Item 18 – FINANCIAL INFORMATION**

Capital Insight does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance.

We have never been the subject of a bankruptcy petition.