

## DLG Wealth Management, LLC

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This Brochure provides information about the qualifications and business practices of DLG Wealth Management, LLC (“DLG” or “we”). If you have any questions about the contents of this Brochure, please contact us at (518) 348-0600. 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.

DLG Wealth Management, LLC is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. This Brochure is intended, in part, to provide information which can be used to make a determination to hire or retain an Adviser.

Additional information about DLG Wealth Management, LLC also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Item 2 – Material Changes**

Since our last annual brochure update dated March 26, 2018, AssetMark has been added as a platform provider under DLG's SMA program. Additional disclosure information related to this addition has been made throughout the Brochure. Clients recommended to invest through AssetMark will also be receiving the AssetMark Platform Disclosure Brochure.

In addition, disclosures related to discretion were updated; see Item 16 for more information.

We will provide you with a new Brochure as necessary based on changes or new information, at any time, without charge. Our Brochure may be requested by contacting Wendy Elliott, Chief Executive Officer, at the number above.

Additional information about DLG Wealth Management, LLC is also available via the SEC's website [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website provides information about any persons affiliated with DLG Wealth Management, LLC who are registered, or are required to be registered, as investment adviser representatives of DLG Wealth Management, LLC.

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#### **Item 4 – Advisory Business**

DLG has been registered with the SEC as an investment adviser since 2009. DLG is wholly owned by Quaestus Holdings, LLC. Quaestus Holdings is owned by Scott Weisman through Pterodactyl Holdings, Joseph Leo and Wendy Elliott. Wendy Elliott is DLG's Chief Executive Officer and Chief Compliance Officer.

DLG provides investment advisory services and utilizes the different advisory programs offered through RBC Correspondent Services ("RBC"), Envestnet Asset Management, Inc. ("Envestnet"), Morningstar Investment Services, Inc. ("Morningstar") and AssetMark, Inc. ("AssetMark"). DLG is responsible for all advice and suitability of such advice regarding these accounts. A full description of all services is provided in the account services agreement. DLG provides discretionary and non-discretionary account management in which the client is provided with on-going investment advice and monitoring with respect to their security holdings and will manage the account according to the client's objectives.

In addition to the programs described in this Brochure, clients should receive a Wrap Fee Program Brochure from Morningstar or Envestnet if a third party manager is selected. In a wrap fee program, clients are charged an all-inclusive wrap fee on Program Assets that covers advisory, execution, custodial and reporting services on Eligible Assets. A portion of these fees will be paid to DLG for advisory services. In a non-wrap fee program, DLG's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. In addition to the wrap fees charged, clients could incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Mutual funds and exchange traded funds also charge internal management fees, which are disclosed in the fund's prospectus.

Additional services are described in DLG's Wrap Fee Brochure. This includes when a DLG Representative acts as Portfolio Manager.

#### ***Managed Accounts Solutions (MAS)***

The programs offered are third party money manager platforms sponsored by RBC. DLG will deliver Managed Accounts Solutions Disclosure Documents for details on fee structure and account services. The execution of a mutually agreed upon Managed Account Solution Tri-Party Agreement by RBC, DLG, and Envestnet is required prior to participating in MAS. In addition, all accounts within MAS will need to be set up to properly reflect the appropriate Asset Provider (Envestnet), Program, and Product Level. See the Wrap Fee Disclosure Brochure for more details. These programs are as follows:

#### ***Separately Managed Account Program (SMA)***

In this program, assets are managed by institutional money managers. This program includes Envestnet's or Morningstar's manager due diligence, assistance in evaluating separate account managers, and provides access to a range of managers and investment disciplines. The program also includes professional money management, performance reporting, and associated services and support (trading, reconciliation, fee calculation, etc.).

DLG may offer advisory services to Clients by selecting the AssetMark Platform. For more information regarding the AssetMark Platform, refer to AssetMark Platform Disclosure Brochure.

### **Multi-Manager Account Program (MMA)**

This program combines multiple investment styles facilitating diversification within an individually-managed account. The program includes professional money management, manager due diligence, and performance reporting. Additionally, the MMA includes Morningstar as overlay portfolio manager to manage the asset allocation of the account and coordinate trading across investment sleeves.

### **Financial Planning**

DLG offers advice in the form of a Financial Plan. Clients will receive a written plan, providing the client with a detailed financial plan designed to achieve their stated financial goals and objectives.

DLG will typically work with other professionals such as attorneys, Certified Public Accountants, trust officers, Mortgage Analysts etc., to offer financial and estate planning advice. DLG specializes in the areas of investment, financial, estate, risk management, retirement, and business continuation planning. The financial management process begins with an in-depth evaluation of the client's current financial goals and objectives. Once we have established the overall objectives, Advisor will focus on the client's specific goals. Services may include the following, as agreed upon with the client: retirement income planning; estate analysis; investment planning; fee based asset management; estate conservation; long term care planning; life insurance/survivorship needs analysis; charitable giving; wealth succession planning.

As of January 31, 2019 DLG held \$39,200,000 in discretionary assets under management and \$28,900,000 in non-discretionary assets under management.

### **Item 5 – Fees and Compensation**

Fees are charged quarterly in advance as disclosed in the separate manager agreement. Fees charged by mutual funds are detailed in the prospectus. Although DLG believes its fees are reasonable in light of the services provided, clients should be aware that such fees may be more or less than the fees and commissions associated with brokerage services purchased separately. The comparison is dependent upon a number of factors, including the frequency of brokerage activity in the client's account, the size of the account under management, and any negotiated fee arrangements with respect to the account. An investor should consider these factors prior to opening an account.

### **Fee Schedule**

The standard fee schedules for the Programs are as follows, but may be negotiable in individual cases:

	<b>Separately Managed Accounts (SMA) – Envestnet/Morningstar</b>		<b>Multi Manager Account (MMA)</b>
<b>Amount</b>	<b>Equity/Balanced Portfolios</b>	<b>Fixed Income Portfolios</b>	<b>Equity/Fixed Income Portfolios</b>
First \$250,000	1.00 – 2.15%	0.95 – 2.10%	1.40 – 2.50%
Next \$250,000	0.95 – 1.85%	0.90 – 1.80%	1.35 – 2.20%
Next \$500,000	0.85 – 1.50%	0.80 – 1.50%	1.15 – 1.85%
Next \$1,000,000	0.65 – 1.15%	0.65 – 1.15%	1.00 – 1.55%
Next \$3,000,000	0.50 – 0.85%	0.50 – 0.85%	0.85 – 1.30%
Over \$5,000,000	0.40 – 0.60%	0.40 – 0.60%	0.70 – 1.00%
Minimum Account Fee	\$550	\$550	\$200

	<b>Separately Managed Accounts (SMA) – AssetMark</b>	
<b>Amount</b>	<b>Parametric Custom Portfolios</b>	<b>Custom</b>
First \$250,000	0.75%	1.05%
Next \$250,000	0.75%	1.05%
Next \$500,000	0.75%	0.99%
Next \$1,000,000	0.70%	0.94%
Next \$1,000,000	0.70%	0.90%
Next \$2,000,000	0.70%	0.85%
Over \$5,000,000	0.60%	0.75%

The fee paid is deemed compensation for the provision of personal advisory services rendered for investment in the program, as well as for ongoing supervision and/or portfolio monitoring of client assets. The amount of IAR fees charged to clients is determined by each IAR up to an amount not to exceed the fee breakpoint set for each level of investment.

Clients in the Program pay a Program Fee from which Envestnet or Morningstar pays the sub-managers and any third-party service provider and DLG. The Program Fee also includes investment management services comprised of client profiling, strategic asset allocation, style allocation, research and evaluation of asset managers, ongoing monitoring of manager and account performance, asset manager hiring and termination, account rebalancing, account reporting, and other operational and administrative services. However, clients whose advisors utilize the MAS Separately Managed Account Program (SMA) and MAS Model Management (Rep as Portfolio Manager) do not receive all of the services listed above, but pay a lower Program Fee.

Fees and compensation for using the AssetMark Platform are provided in more detail in the AssetMark Platform Disclosure Brochure. Discretionary Manager Fee schedules are included in the Client Billing Authorization or the Appendix A to the Client Service Agreement. The fees applicable to each Account on the AssetMark Platform may include: 1. Financial Advisor Fee; 2. Platform Fee; 3. Investment Manager Fee; and 4. Initial Consulting Fees. Other fees for special services may also be charged. The Client should consider all applicable fees.

Since a minimum account fee applies, a client may pay an effective rate greater than the rate specified in the fee schedule shown above. The firm, in its sole discretion, may waive its minimum fee and/or charge a lesser investment advisory fee based upon certain criteria (e.g., historical relationship, type of assets, anticipated future earning capacity, anticipated future additional assets, dollar amounts of assets to be managed, related accounts, account composition, negotiations with clients, etc.).

The Program Fee does not include certain fees charged by a broker or custodian used by that client's advisor. In that case, those fees will be disclosed separately to the client by the custodian for the Program.

Unless the Client requests direct billing, fees will be automatically deducted from the account. Clients will be provided with a quarterly statement reflecting deduction of the advisory fee.

Program Fees are calculated as an annual percentage of assets and are charged on a calendar quarter basis in advance and prorated to the end of the quarter upon inception of the account for SMA, MMA

and WRAP accounts. Program Fees for Accounts within WRAP are charged advance using the average daily market value for the quarter. The level of the Program Fee will vary with the amount of assets under management and the particular investment styles and Investment options utilized. There are no adjustments made to the billing for SMA, MMA, and /or WRAP accounts during the quarter unless there is a deposit of \$10,000 or more. Accounts with subsequent deposits during a quarter of \$10,000 or more are adjusted for the deposit and billed the following month of the deposit.

If there is insufficient cash in the Accounts at the time the Program Fee is to be debited from the Accounts, the Advisor, Platform Manager or Sub-Managers will sell an amount of Program Assets to generate sufficient cash to pay the Program Fee. This may create a taxable gain or tax loss for the Client. If Program Assets are illiquid and Advisor, Platform Manager or a designated Sub-Manager determines that the sale of Program Assets to pay the Program Fee is not feasible, Platform Manager will send the Client an invoice for the Program Fee for the quarter. The invoice is due within ten (10) days of receipt.

The wrap program may cost the client more or less than purchasing such services separately and will depend on the trading activity in the client's account. DLG may give advice to others that may be different from the advice given to Program clients.

In a wrap fee program, the Client will not incur transaction charges. The Client will pay custodial fees, charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses), wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. In addition, certain Investments charge their own fees, such as mutual funds, ETFs, and alternative investments. Such fees are not included in the wrap fees charged. Please see the prospectus or related disclosure document for information regarding these fees.

DLG receives distribution or service (trail) fees from the sale of certain mutual funds (including money market funds) pursuant to a 12(b)-1 distribution plan or other such plan as compensation for distribution or administrative services and are distributed from the fund's total assets. These fee arrangements will be disclosed upon request of a client and are available in the applicable fund's prospectus. Those "indirect" service fees are passed on to DLG and the Advisor. Indirect fees received from mutual funds are considered and anticipated when net fees are set. Typically, mutual funds charging 12(b)-1 fees will be recommended when the overall cost is seen as a benefit to the client. For example, a lower class share may not be available to DLG; or a lower class share may be available, but carries an additional transaction fee. In other cases, mutual funds charging 12(b)-1 fees are transferred into DLG. Commissions paid for broker/dealer services may be higher or lower than those obtainable from other brokers in return for those products and services.

All fees are subject to negotiation. When negotiating fees, factors considered, but not limited to, include: (i) clients with multiple accounts; (ii) size of the account; (iii) a prior or existing relationship; and (iv) a client's particular needs or financial characteristics. Due to the fact that fees may vary, clients with existing accounts may be charged fees which do not match precisely the fee schedules or the fees paid by other clients.

Upon written receipt of notice to terminate its Client Agreement with any of DLG investment advisory Programs, and unless specific transfer instructions are received, DLG and its agent will, in an orderly and efficient manner, proceed with liquidation of the Client's account. There will not be a charge by us for such redemption; however, the Client should be aware that certain mutual funds impose redemption

fees as stated in each company's fund prospectus in certain circumstances. Clients must keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with the client's tax advisor.

Factors that may affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate Client's investment advisory service and communicate the instructions to Client's investment advisor, termination orders received from clients are not market orders; it may take several business days under normal market conditions to process Client's request. During this time, Client's account is subject to market risk. DLG and its agent are not responsible for market fluctuations of the Client's Account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner.

Clients should review all Program disclosure documents for any additional information related to account terminations. A full refund will be provided without penalty if the client terminates the contract within 5 business days of signing with the Company.

### ***Financial Planning***

DLG may charge a fixed agreed upon rate or an hourly rate for any agreed upon financial planning work. This rate will vary depending on the requested task; however, the client will be provided an estimate in advance.

Financial planning fees will be charged on an agreed upon fixed fee, ranging from \$500 to \$5,000, or an hourly basis, ranging from \$200 to \$275 per hour, depending on the nature and complexity of each client's circumstances. An estimate for the total hours will be determined at the start of the advisory relationship. Up to 50% of the estimated fee may be due upon signing the Financial Planning agreement, with the balance (based on actual hours) due upon presentation of the plan to the client. Typically the financial plan will be presented to the client within 90 days of the contract date, provided that all of the relevant information needed to prepare the financial plan has been promptly provided by the client. The client may terminate its arrangement at any time, in writing, and will be refunded a portion of the fee based upon a pro-rated calculation related to the time and expense expended by the firm.

### **Item 6 – Performance-Based Fees and Side-By-Side Management**

DLG does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

### **Item 7 – Types of Clients**

DLG provides portfolio management services to individuals, corporations and business entities, pension and profit-sharing plans, charitable institutions, foundations, endowments, estates, trusts, and other U.S. and international institutions. Programs require a minimum account fee of \$200 - \$550 depending on the Program selected. In certain cases, these minimums may be waived based upon business considerations.

See the respective Program Disclosure Documents for more information about the Program fees and information regarding minimum account sizes. The minimum account size may be different for IRA accounts. Under certain limited circumstances, the minimum may be waived. RBC and/or Envestnet may act as sub-advisor for the advisory programs. The Client should refer to the respective managers



Disclosure Document, as appropriate, to determine the minimum and maximum account sizes permitted.

The minimum investment required for AssetMark depends upon the Investment Solution chosen for a client's account and is generally from \$50,000 to \$500,000 for Privately Managed and Unified Managed Accounts, depending on the investment strategy selected for the account. These minimums are described in more detail in the AssetMark Platform Disclosure Brochure. Accounts below the stated minimums may be accepted on an individual basis at the discretion of AssetMark.

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

Our investment strategy begins with an understanding of a client's financial goals. Advisors use demographic and financial information provided by the client to assess the client's risk profile and investment objectives in determining an appropriate plan for the client's assets. Investment strategies ordinarily include long- or short-term purchases of stock portfolios, mutual funds and fixed income securities.

Investment recommendations are based on an analysis of the client's individual needs, and are drawn from research and analysis. Security analysis methods includes fundamental analysis, technical analysis, charting and cyclical analysis. Information for this analysis is drawn from financial websites and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases and corporate ratings services.

Investing in securities involves risk of loss that you should be prepared to bear. Some of the primary risks of investing are summarized below:

- **Interest Rate Risk:** Fluctuations in interest rates cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- **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.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e., interest rate). This primarily relates to fixed income securities.
- **Business Risk:** These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

- **Liquidity Risk:** Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy or a declining market value.

With respect to clients investing in the SMA Program, DLG introduces clients to, and advises on the selection of, independent investment managers who provide discretionary management of individual portfolios, including a wide variety of security types. Clients will receive a separate disclosure from such investment managers regarding any such investment manager's advisory services.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of DLG or the integrity of DLG's management. DLG has no information applicable to this Item.

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

Etico Partners, LLC (f/k/a M.J. Whitman LLC), a registered broker-dealer is affiliated with DLG through common ownership and control. Individuals associated with DLG as an Investment Adviser Representative are also Registered Representatives of Etico Partners, LLC. When applicable, these individuals recommend broker-dealer transactions for advisory clients. On average individual Investment Advisor Representatives and the principals of Etico Partners, LLC spend 50% of their time on other such activities. If a trade error were to occur, it may result in profit or loss to the firm. The firm has controls in place to limit such trade errors. Investment Advisers will not participate in any profits resulting from such errors.

Many DLG Investment Adviser Representatives are also separately licensed as insurance agents. In their capacities as registered representatives or as independent insurance agents, the Adviser or its associated persons receive commission or other fees for such transactions, which is separate and distinct from Adviser's compensation related to its investment advisory services. These arrangements pose a conflict of interest for those individuals to the extent they have a financial incentive to recommend such sales or other transactions to the client. In addition, registered representatives also receive 12b-1 fees paid out by mutual funds. Commissions paid for broker/dealer services may be higher or lower than those obtainable from other brokers in return for those products and services.

DLG recommends that clients establish brokerage accounts with RBC, a FINRA registered broker-dealer, to maintain custody of clients' assets and to effect trades for their accounts. Although DLG recommends that clients establish accounts at RBC, it is the client's decision to custody assets at RBC. DLG is independently owned and operated and not affiliated with RBC.

#### **Item 11 – Code of Ethics**

DLG has adopted a Code of Ethics for all supervised persons of the firm describing its high standard of business conduct, and fiduciary duty to its clients. The Code of Ethics includes provisions relating to the confidentiality of client information, a prohibition on insider trading, restrictions on the acceptance of

significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at DLG must acknowledge the terms of the Code of Ethics annually, or as amended.

Advisors of DLG may buy or sell securities that are recommended to clients. DLG's employees and persons associated with DLG are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of DLG and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for DLG's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of DLG will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of DLG's clients. In addition, the Code requires pre-approval of many transactions, and restricts trading in close proximity to client trading activity. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between DLG and its clients.

Certain affiliated accounts may trade in the same securities with client accounts on an aggregated basis when consistent with DLG's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. DLG will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

DLG's clients or prospective clients may request a copy of the firm's Code of Ethics by contacting Wendy Elliott at our main number.

#### **Item 12 – Brokerage Practices**

DLG recommends that clients establish brokerage accounts with RBC Correspondent Services ("RBC"), a FINRA registered broker-dealer, member SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Clients are required to establish account with RBC when a third party money manager is selected through Envestnet, as in a Managed Account Solutions Program or Separately Managed Accounts. Our decision to recommend RBC as a custodian is based on a number of factors including financial strength, reputation, execution, pricing, responsiveness, fees, research, and other services provided.

For DLG client accounts maintained in its custody, RBC generally does not charge separately for custody services but is compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed through RBC or that settle into RBC accounts. RBC also make available to DLG other products and services that benefit DLG but may not benefit its clients' accounts. Some of these other products and services assist DLG 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 DLG's fees from its clients' accounts; and assist with back-office functions, recordkeeping and client reporting.

When the Morningstar platform is utilized as part of a Separately Managed Account Program; Multi-Manager Account Program; and/or Mutual Fund Wrap Program DLG does not direct brokerage. Depending on the program selected, clients will be required to establish an account through BNY Mellon or Fidelity. Clients in a Separately Managed Account Program or Multi-Manager Account Program through Morningstar will be required to establish an account with BNY Mellon; clients in the Mutual Fund Wrap Program are required to establish an account with Fidelity. Brokerage transactions are generally directed to the Custodian holding the account. Custodians are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed, which are included when wrap fees are charged. Please see the third party manager's Brochure for additional information regarding their brokerage practices.

When AssetMark is utilized as part of the SMA Program, DLG does not direct brokerage. Client will be required to establish an account with AssetMark Retirement Trust Co. DLG assists the client in selecting the risk/return objective and Portfolio Strategists that best suit the client's objectives. The client then specifically directs the account to be invested in accordance with the chosen investment solution. When the client selects the investment solutions, the client further directs that the account be automatically adjusted to reflect any adjustment in the asset allocation by the selected Portfolio Strategist. This client authorization results in the purchase and sale of certain mutual funds or ETFs (or transfers between variable annuity sub-accounts) without further authorization by the client or any other party at such time as the Portfolio Strategist changes the composition of the selected model asset allocation.

The client receives confirmation of all transactions in the account and is free to terminate participation in the Platform and retain or dispose of any assets in the account at any time. DLG has no authority to cause any purchase or sale of securities in any client account, or change the selected model asset allocation or to direct the account to be invested in any manner other than as previously authorized by the client. Therefore, DLG does not aggregate the trades of clients when a third party investment manager is used. The trade aggregation procedures followed by each third party investment manager are disclosed in the Manager's Form ADV Part 2A.

If a client selects an Individually Managed Account (IMA) or Consolidated Managed Account (CMA) investment solution, the third-party Discretionary Managers are granted the authority to buy, sell, select, remove and select securities and other investments for the account, and to select broker-dealers or others through which transactions will be effected.

### **Item 13 – Review of Accounts**

DLG provides its investment consulting clients with periodic reports of relevant activity. In addition to the portfolio monitor service report as described herein, DLG, through the Clearing Agent or its agent, will transmit to clients (and where appropriate to the applicable investment advisor) the following reports:

- trade confirmations reflecting all transactions in securities; provided, however, that periodic statements of account activity may be furnished in lieu of transaction by transaction confirmations to the extent and in the manner permitted by Rule 10b-10 under the Exchange Act; and

- A statement of account activity at least quarterly.

Accounts are assigned to investment advisors who are responsible for performing quarterly reviews of the account and consult with the respective client of the account. Following these quarterly reviews, client reports are prepared and submitted to assist principals in supervising and monitoring the account. Factors that are considered include, but are not limited to the following: investment objectives, targeted allocation, current allocation, suitability, performance, number of trades, monthly distributions, concentrated positions, diversification, and outside holdings.

Client agrees to inform the firm in writing of any material changes in the information included in the questionnaire or otherwise the client's financial circumstances that might affect the manner in which client's assets should be invested. Client may contact the firm during normal business hours to consult with the firm concerning the management of the client's account(s).

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

AssetMark sponsors annual conferences for participating financial advisors designed to facilitate and promote the success of the financial advisor and AssetMark advisory services. AssetMark may offer Portfolio Strategists, Investment Managers and Investment Management Firms the opportunity to contribute to the costs of the AssetMark conferences as identified sponsors. AssetMark will cover travel related expenses for certain financial advisors to attend the annual conference. Participation in the annual conference is contingent on maintaining a minimum amount of assets with AssetMark. Advisors do not base recommendations on the expectation of such conference and travel.

DLG does not compensate others for client referrals.

#### **Item 15 – Custody**

Clients should receive statements at least quarterly from RBC or other qualified custodian that holds and maintains your investment assets. DLG urges you to carefully review such statements and compare the official custodial records to the account statements that may be provided to you. For example, performance reports from Morningstar or Envestnet can vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

#### **Item 16 – Investment Discretion**

DLG may act in a discretionary or non-discretionary capacity. For any discretionary accounts, the Adviser has the authority to determine, without obtaining specific client consent, both the securities to be bought and sold as well as the amount of the securities to be bought or sold. This discretion must be provided at the beginning of the Adviser/Client relationship and documented in the Advisory Agreement. In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, DLG observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to DLG in writing.

DLG may recommend third party investment managers through the MAS, SMA or MMA programs. When acting in a discretionary capacity, the firm has the ability to evaluate managers and switch money managers or reallocate assets among managers without consulting the client. When acting in a non-discretionary capacity, the Advisor will make recommendations, but only the client has the authority to hire or switch money managers or reallocate assets between programs. In all cases, the Advisor will monitor performance of the third party investment manager, and will make recommendations

consistent with the client's investment objectives and risk tolerance. In this capacity, DLG does not take any independent discretionary authority over the securities to be bought or sold; but discretionary authority is provided to the independent investment manager. Additional information can be found in the respective manager's disclosure Brochure.

#### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, DLG does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. DLG may provide advice to clients regarding the clients' voting of proxies. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent.

Clients can authorize investment managers to vote proxy requests on their behalf in their client agreements. Please refer to the respective investment manager's Form ADV for a full disclosure of its proxy voting policies and procedures

#### **Item 18 – Financial Information**

Registered Investment Advisers are required to provide you with certain financial information or disclosures about DLG's financial condition. DLG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of any bankruptcy proceeding.

#### **Privacy Policy**

DLG collects nonpublic personal information about you from the following sources: Information we receive on applications, questionnaires, web site, or other forms and information about your transactions with our affiliates, others, or us. We do not disclose any non-public information about our current or former customers to anyone, except as permitted by law or in order to provide the current services. Our employees have limited access to your personal information based on their responsibilities to provide products or services to you. Be assured that we maintain physical, electronic and procedural safeguards in compliance with federal standards to protect your information.