

Item 1 - Cover Page

Kingdom Financial Group, LLC
14155 North 83rd Avenue, Suite 144
Peoria, Arizona 85381
(623) 974-0300

June 17, 2019

This brochure provides information about the qualifications and business practices of Kingdom Financial Group, LLC. If you have any questions about the contents of this brochure, please contact us at (623) 974-0300. 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 Kingdom Financial Group, LLC is also available on the Internet at www.adviserinfo.sec.gov. You can view information on this website by searching for Kingdom Financial Group, LLC's name or by using its CRD number: 155676.

*Registration as an investment advisor does not imply a certain level of skill or training.

Item 2 – Material Changes

The material changes in this brochure from the last annual updating amendment of Kingdom Financial Group, LLC on 03/18/2019 are described below. Material changes relate to Kingdom Financial Group, LLC's policies, practices or conflicts of interests.

- Kingdom Financial Group, LLC has updated ownership (Item 4).

Item 3 – Table of Contents

Item 1 - Cover Page.....	1
Item 2 – Material Changes.....	2
Item 3 – Table of Contents.....	3
Item 4 – Advisory Business.....	5
Ownership.....	5
General Description of Primary Advisory Services	5
Financial Planning Services (Plans and Consulting)	5
Use of Third Party Money Managers	5
Newsletters	5
Seminars	5
Specialization	5
Limits Advice to Certain Types of Investments.	6
Tailor Advisor Services to Individual Needs of Clients.....	6
Wrap-Fee Program versus Portfolio Management Program	6
Client Assets Managed by Advisor	6
Item 5 – Fees and Compensation.....	7
Newsletters.....	7
Seminars	7
Financial Planning Services	7
Consultation Services	8
Referrals to Third Party Money Managers	9
Additional Compensation	11
Comparable Services	11
Item 6 – Performance-Based Fees and Side-By-Side Management	12
Item 7 – Types of Clients	13

Minimum Investment Amounts Required	13
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	14
Methods of Analysis	14
Investment Strategies	14
Risk of Loss	15
Item 9 – Disciplinary Information	16
Item 10 – Other Financial Industry Activities and Affiliations	17
Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading	18
Item 12 – Brokerage Practices	19
Item 13 – Review of Accounts.....	20
Account Reviews	20
Account Reports	20
Item 14 – Client Referrals and Other Compensation	21
Other Compensation	21
Item 15 – Custody	22
Item 16 – Investment Discretion	23
Item 17 – Voting Client Securities	24
Item 18 – Financial Information.....	25
Item 19 – Class Action Lawsuits	26
Item 20 – Customer Privacy Policy	27

Item 4 – Advisory Business

Ownership

Kingdom Financial Group, LLC (sometimes referred to as “Advisor” or “we”) are an investment advisor registered with the United States Securities and Exchange Commission since July 2, 2018. Kingdom Financial Group, LLC was previously registered at the state level since January 26, 2011. We are an S Corp formed under the laws of the State of Arizona. The principal owners are Steven D. Fullerton and Stephanie E. Fullerton.

General Description of Primary Advisory Services

We offer personalized investment advisory services including financial plans and consultations, seminars, newsletters and referrals to third party money managers. The following are brief descriptions of our primary services. A detailed description is provided in **Item 5, Fees and Compensation**, so that clients and prospective clients (sometimes referred to as “you”) can review the services and description of fees more thoroughly.

Financial Planning Services (Plans and Consulting)

Financial planning can be described as helping individuals determine and set their long-term financial goals through investments, tax planning, asset allocation, risk management, retirement planning and other areas. The role of a financial planner is to find ways to help clients understand their overall financial situation and help them set financial objectives.

We provide advisory services in the form of comprehensive and modular financial plans. These services do not involve the active management of client accounts. Instead, comprehensive planning services focus on a client’s overall financial situation. Modular planning services focus on specific areas of client concern and may not take other important issues into consideration.

We also provide consulting services to clients wanting advice on a specific area or concern. These consultations can last for one meeting or several meetings, depending upon the client’s needs and requested services.

Use of Third Party Money Managers

We offer advisory services by referring clients to outside, or unaffiliated, money managers that are registered or exempt from registration as investment advisors. Third-party money managers are responsible for continuously monitoring client accounts and making trades to client accounts when necessary.

Newsletters

We offer informative and educational newsletters to clients on a complementary basis.

Seminars

We offer free educational and informational seminars.

Specialization

We do not specialize in any of our offered services.

Limits Advice to Certain Types of Investments.

We limit our investment advice to the following types of investments:

- ☐ Exchange-listed securities
- ☐ Securities traded over-the-counter
- ☐ Foreign issues
- ☐ Warrants
- ☐ Corporate debt securities (other than commercial paper)
- ☐ Commercial paper
- ☐ Certificates of deposit
- ☐ Municipal securities
- ☐ United States government securities
- ☐ Option contracts on securities
- ☐ Option contracts on commodities
- ☐ Futures contracts on tangibles
- ☐ Futures contracts on intangibles
- ☐ Variable life insurance
- ☐ Variable annuities
- ☐ Mutual fund shares

Tailor Advisor Services to Individual Needs of Clients

Our services are always provided based on the specific needs of the individual client. Clients are given the ability to impose restrictions on their accounts, including specific investment selections and sectors. However, we will not enter into an investment advisor relationship with anyone whose investment objectives may be considered incompatible with our investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Wrap-Fee Program versus Portfolio Management Program

In traditional management programs, advisory services are provided for a fee but transaction services are billed separately on a per-transaction basis. In wrap-fee programs, advisory services and transaction services are provided for one fee. We provide management services. We act as a portfolio manager of sponsor wrap fee programs as all of the firms managed accounts are under the wrap program where Kingdom Financial, AE Wealth Management and Sterling Capital are involved in the management process.

Client Assets Managed by Advisor

As of December 2018, the firm manages \$107,071,914 in discretionary assets.

Item 5 – Fees and Compensation

In addition to the information provided in **Item 4, Advisory Business**, this section provides details regarding our services along with descriptions of each service's fees and compensation arrangements.

Newsletters

We offer monthly and/or quarterly newsletters to clients at no charge. These newsletters are delivered by both U.S. mail and e-mail and are informational and educational in nature. No specific investment advice or recommendations are given. Prospective clients can also request to receive the newsletters.

Seminars

We offer seminars that are educational and informational in nature. No specific investment advisor or recommendations are given to participants. There is no charge to attend these seminars.

Financial Planning Services

We offer comprehensive and modular financial planning services. Comprehensive services can include, but are not limited to:

- ☐ Personal planning (family records, budgets, personal liability, etc.)
- ☐ Cash flow and management
- ☐ Retirement planning
- ☐ Business planning
- ☐ Estate planning
- ☐ Education planning
- ☐ Tax planning
- ☐ Risk management
- ☐ Insurance analysis
- ☐ Investment analysis
- ☐ Benefit plans
- ☐ Disability and long term care
- ☐ Stock option analysis

You can also elect to focus on a more specific area of concern. However, focusing on one or more specific areas may not take other important issues into consideration that could impact our analysis and recommendations as well as your objectives.

Our investment advisor representatives (referred to as “representatives”) meet with you to gather the information and documents needed to perform an analysis and review of your situation as well as your objectives and goals. One or more meetings may be needed in order to gather all needed information and determine the services best suited to help meet your needs. We rely on the information you provide to us. Therefore, it is very important that the information you provide is complete and accurate. We are not responsible for verifying the information you supply.

Our services do not include legal or tax advice. You are urged to work closely with an attorney, accountant or other professionals regarding your financial and personal situation.

After gathering the needed information and documents, our representatives do a suitability analysis. This means they look at your willingness and ability to take on certain levels of risk when making an

investment or using one or more types of investment products or asset allocation strategies. We want your investments to work both sensibly and prudently toward your financial goals and objectives.

Once the suitability study is completed, our representatives then forward all information to AE Wealth Management (AEWM) or Sterling Capital, each unaffiliated investment advisor registered with the Securities and Exchange Commission. We may also send them suggestions about suitable areas of investment recommendations or allocations. AEWM or Global prepares the requested analysis and then sends it back to us. We review it, present it to you in either an oral or a written format (as you request) and discuss the analyses and recommendations with you. You will generally receive the plan within one week once we have received all the required information and documentation from you.

If you request a comprehensive plan, it will focus on your overall financial situation and cover several or all of the areas previously noted, as may be needed by you. If you request a modular (segmented) plan, it will focus only on one or more specific area(s) of concern to you. If you request a modular (segmented) plan, you should be aware that other important issues may not be taken into consideration when developing the analyses and recommendations.

If you also elect to contract with us for advisory services provided through referrals to third party money managers, there is no charge for the requested financial plan. However, if you do not also contract to create a referred account, then there is a fixed fee charged for the requested plan that ranges from \$250 to \$5,000. The fixed fee is negotiable based upon the actual services you request us to provide and the complexity of your personal and financial situation. There is a retainer due at the time you sign the agreement for services equal to one-quarter (25%) of the quoted fixed fee. The remainder of the fee is due at the time we present the plan to you. We provide you with a detailed billing invoice.

You have sole discretion about whether or not to contract for our services. In addition, you have sole discretion about whether or not to implement any financial planning recommendations made by our representatives. If you do decide to implement the recommendations, you are responsible for taking any actions or implementing any transactions required. You are free to select any broker/dealer and/or insurance agent to implement our recommendations. You should be aware that some of our representatives may also be independently licensed insurance agents. If you elect to follow our recommendations regarding insurance products, and select one of our representatives to implement the recommendations, he or she could receive commissions. This is a potential conflict of interest since the representative could earn advisory fees in his or her capacity as an investment advisor representative and could also earn commissions on insurance products sold in his or her capacity as an independently licensed insurance agent. Please see **Item 10, Other Financial Activities and Affiliations**, for additional discussion on this conflict of interest.

Either you or we can terminate advisory services at any time by providing written notice to the other party. Termination is effective upon receiving that notice. If services are terminated within five business days of signing the client agreement, we will return all of your prepaid fees. If services are terminated after five business days have passed but before presentation of the plan, we will retain all of your prepaid fees. Depending upon the percentage of the plan that has already been prepared at the time of termination, you may also owe additional, prorated fees. We will send you a billing invoice detailing the fees charged and any amounts that may be due. No fees will be refunded after the plan has been presented.

Consultation Services

You can also request advice on one or more specific areas of concern, and these consultations can be a one-time event or involve several meetings. If you also elect to contract with us for advisory services provided through referrals to third party money managers, there is no charge for the requested consultations. However, if you do not also contract to create a referred account, then there is an hourly charge for these consultations of \$250 per hour. This rate is negotiable based upon the actual services you ask us to provide and the complexity of your situation. We will provide you with an estimate of the time we believe will be needed to complete the requested services. If the time needed exceeds

our estimate, we will request permission from you to continue. You have the final determination when the consultations are completed. There is a retainer due at the time you sign the agreement for services. This retainer is equal to two hours of time at the quoted hourly rate. The remainder of the fee is due at the time the consultations are completed. We provide you with a detailed billing invoice.

You have sole discretion about whether or not to contract for our services. In addition, you have sole discretion about whether or not to implement any recommendations made or advice given by our representatives. If you do decide to implement, you are responsible for taking any actions or implementing any transactions required. You are free to select any broker/dealer and/or insurance agent to implement our recommendations and advice. You should be aware that some of our representatives may also be independently licensed insurance agents. If you elect to follow our recommendations regarding insurance products and select one of our representatives to implement the recommendations, he or she could receive commissions. This is a potential conflict of interest since the representative could earn advisory fees in his or her capacity as an investment advisor representative and could also earn commissions on insurance products sold in his or her capacity as an independently licensed insurance agent. Please see **Item 10, Other Financial Activities and Affiliations**, for additional discussion on this conflict of interest.

Services terminate upon completion of the investment consultations contracted for. Either you or we can terminate advisory services at any time by providing written notice to the other party. Termination is effective upon receiving that notice. If services are terminated within five business days of signing the client agreement, we will return all of your prepaid fees. If services are terminated after five business days have passed but before estimated time of completion, we will retain all of your prepaid fees and additional fees may be due depending upon the additional time spent on the consultations. We will send you a billing invoice detailing the fees charged and any amounts that may be due.

Referrals to Third Party Money Managers

We act as solicitor and refer clients to unaffiliated third party investment advisors offering asset management and other investment advisory services. We perform due diligence when selecting the third party money managers recommended. Each solicitation arrangement is performed pursuant to a written solicitation agreement and is in compliance with SEC Rule 206(4)-3 and applicable state securities rules and regulations.

Through this service, we assist you in identifying your risk tolerance and investment objectives and then recommend money managers relative to those objectives and tolerances. You select a recommended third party investment advisor based on your needs and enter into an agreement directly with the selected advisor. That advisor provides the asset management services. Advisor's representatives are available to answer questions regarding your account. Our representatives also act as the communication conduit between you and the third-party investment advisor selected. At least annually, we contact you to see if you have any changes to your instructions, account restrictions, investment goals, financial circumstances or investment limitations/risk tolerances.

Third party managed programs generally have account minimum requirements and these minimum requirements vary from investment advisor to investment advisor. Account minimums are generally higher on fixed income accounts than equity based accounts. A complete description of the third party investment advisor's services, fee schedules and account minimums are disclosed in the third party investment advisor's Disclosure Brochure that is provided to you at the time you sign an agreement for services and establish an account. The type and frequency of reports you receive will also depend on the third party investment advisor you select.

Third-party investment advisors may take discretionary authority to determine the securities to be purchased and sold for your account. We have discretionary authority and are responsible for selecting investments or implementing trades in your accounts.

When we refer you to a third party money manager, we receive a portion of the fee (a solicitor/referral fee) charged and collected by the third party investment advisor. The actual fee charged to you varies depending on the third party investment advisor selected. However, the third party money manager takes our solicitor/referral fee into consideration when determining the total fee it charges you. The third party money manager also considers other factors when determining the fee, such as the amount of assets you have under management and the number of your accounts. You do not pay us directly for referring you to the third party money manager. All fees are calculated and collected by the selected third party investment advisor and that investment advisor is responsible for paying us our portion of the total fee charged to you.

You may incur additional charges including but not limited to, mutual fund sales loads, 12b-1 fees and surrender charges and IRA and qualified retirement plan fees. We do not receive any portion of such commissions or fees. We are only compensated by the solicitor/referral fees described above, and do not receive any other compensation in connection with your account.

While we review the performance of numerous third-party investment advisor firms, we have entered into a co-advisory relationship with AE Wealth Management, LLC ("AEWM"), an investment advisor registered with the Securities and Exchange Commission, Global Financial for current clients that do not want to switch to provide investment advisory services to our clients. Sterling Capital is used as a third party for research, but they do not manage assets. This arrangement allows us to access model portfolios, model managers, strategists, third party money managers, and trading services through AEWM's managed account program. If we offer you services through AEWM, we will provide you with a copy of AEWM's disclosure brochure which contains a detailed description of AEWM's services.

Services provided through AEWM's managed account program are offered both on a non-wrap fee basis and through a wrap fee program. If you choose to receive services on a non-wrap fee basis, you may pay separate commissions, ticket charges, and custodian fees for the execution of transactions in your account. These charges (if applicable) will be in addition to any investment management fee that you may pay to AEWM and to our firm. If you choose to receive services through the wrap fee program, you will only pay fees based on assets under management and you will not pay a separate commission, ticket charge, or custodian fee, for the execution of transactions in your account. AEWM and our firm will receive a portion of the fee as compensation for services.

When services are provided through AEWM, our firm is allowed to set the investment management fee up to a maximum of 2.9% of assets under management on an annual basis. The annual fee will be specified in your co-advisory agreement with AEWM and our firm. A more detailed description of fees related to AEWM's managed account program is located in AEWM's disclosure brochure which will be provided to you if we offer you services through AEWM.

We have also entered into a co-advisory relationship AE Wealth Management (AEWM) or Sterling Capital, an investment advisor registered with the Securities and Exchange Commission. Global charges a maximum annual fee of 2.9% of the assets held in a managed account. The annual fee will be specified in your co-advisory agreement with Global and our firm. A more detailed description of fees related to Global's managed account program is located in Global's disclosure brochure which will be provided to you if we offer you services through Global. From this fee, we receive a portion based on our total assets under management at Global as follows:

Any third party investment advisors we recommended must be registered or exempt from registration in the state where you reside. Our representatives may have a conflict of interest by only offering those third party investment advisors that have agreed to pay us a portion of their advisory fee. There may be other third party managed programs that may be suitable to you and that may be more or less costly. No guarantees can be made that your financial goals or objectives will be achieved. Further, no guarantees of performance can be offered. Investments involve risk, including the possible loss of principal.

Additional Compensation

Our representatives may also be independently licensed insurance agents and sell insurance products to any client. They can earn commissions when selling these products. This is a potential conflict because they may recommend the purchase of an insurance product resulting in a commission being paid to them in addition to advisory fees being paid to us.

From time to time, we may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made. We endeavor at all times to put your interests first as a part of our fiduciary duty. However, you should be aware that receiving additional compensation through nominal sales awards, expense reimbursements, etc., creates a conflict of interest that may impact our representatives' judgment when making advisory recommendations.

Comparable Services

We believe our fees for advisory services are reasonable with respect to the services provided and the fees charged by other investment advisors offering similar services. However, lower fees for comparable services may be available from other sources.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. We do not receive performance-based fees.

Item 7 – Types of Clients

We generally provide investment advice to the following types of clients.

- ☐ Individuals including high net worth individuals

Minimum Investment Amounts Required

If you contract for financial planning and/or consultation services without also contracting for referrals to third party money manager services, you are charged a fee. For financial plans, there is a minimum fee of \$250. For consultations, there is a minimum 2 hour charge at the quoted rate.

We also require clients to have a minimum of \$25,000 to establish an account when they are referred to a third party money manager. However, we may grant an exception to this minimum, considering your specific needs, our current relationship with you and anticipated future services or accounts.

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

Methods of Analysis

Advisors generally use one or more of the following methods of analysis when considering a client's situation and developing recommendations:

- ☐ Charting: a technical analysis that charts the pattern of stocks, bonds and commodities to help determine buy and sell recommendations. Analysts using charting believe that recurring patterns of trading can help them forecast future price movements.
- ☐ Fundamental: a method of evaluating stocks based on fundamental factors such as revenues, earnings, future growth, return on equity, profit margin, etc. to determine a company's underlying value and potential for future growth.
- ☐ Technical: a method of evaluating securities by analyzing a stock's market activity—generally the price and volume. Technical analysts use charts or computer programs to identify and project price trends. Most analysis is done on a short or intermediate term but some analysts also predict long-term cycles based on charts or other data. Technical analysis is not concerned with the financial position of a company.
- ☐ Cyclical: an analysis of recurring periods of expansion and contraction that can impact a company's profitability and cash flow. Cyclical stocks tend to rise quickly when the economy turns up and fall quickly when the economy turns down (i.e., housing, automobiles, telecommunications, paper, etc.) Non-cyclical industries (i.e., food, insurance, drugs, health care, etc.) are not as directly impacted by economic changes.

We do not use any specific method of analysis when analyzing a client's financial situation. Rather, we outsource our financial planning services to AE Wealth Management (AEWM) or Sterling Capital and rely on their research and analytical methods when developing recommendations. In addition, we refer clients to AE Wealth Management (AEWM) or Sterling Capital and rely on them for asset management services and investment product selection.

Investment Strategies

Advisors generally use one or more of the following investment strategies when implementing investment advice to clients:

- ☐ Long term purchases (investments held at least a year)
- ☐ Short term purchases (investments sold within a year)
- ☐ Trading (investments sold within 30 days)
- ☐ Short sales (borrowing securities in anticipation of a price decline and returning an equal number of securities at some future time)
- ☐ Margin transactions (Investor pays for part of the purchase and borrows the rest from a brokerage firm; e.g., investor buys \$5,000 worth of stock in a margin account by paying for \$2,500 and borrowing \$2,500 from a brokerage firm. Clients cannot borrow stock from Advisor.)
- ☐ Option writing (including covered options, uncovered options or spreading strategies) (Note: options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time)

We do not use any specific method of analysis when analyzing a client's financial situation. Rather, we outsource our financial planning services to AE Wealth Management (AEWM) or Sterling Capital and rely on their research, analytical methods when developing recommendations. In addition, we refer clients to AE Wealth Management (AEWM) or Sterling Capital and rely on them for asset management services, and investment product selection.

Risk of Loss

Investing in securities involves a risk of loss that you should be prepared to bear, including the loss of your original principal. You should also be aware that past performance of any security is not necessarily indicative of future results. Therefore, do not assume that future performance of any specific investment or investment strategy will be profitable. We do not provide any representation or guarantee that client goals will be achieved.

Investing in securities involves risk of loss. Further, depending on the different types of investments, there may be varying degrees of risk:

- **Market Risk.** Either the market as a whole, or the value of an individual company, goes down, resulting in a decrease in the value of client investments. This is referred to as systemic risk.
- **Equity (Stock) Market Risk.** Common stocks are susceptible to fluctuations and to volatile increases/decreases in value as their issuers' confidence in or perceptions of the market change. Investors holding common stock (or common stock equivalents) of any issuer are generally exposed to greater risk than if they hold preferred stock or debt obligations of the issuer.
- **Company Risk.** There is always a certain level of company or industry specific risk when investing in stock positions. This is referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that a company may perform poorly or that its value may be reduced based on factors specific to it or its industry (e.g., employee strike, unfavorable media attention).
- **Options Risk.** Options on securities may be subject to greater fluctuations in value than investing in the underlying securities. Purchasing and writing put or call options (the right to sell or buy a specified amount of an underlying asset at a set price within a set time) are highly specialized activities and involve greater than ordinary investment risk.
- **Fixed Income Risk.** Investing in bonds involves the risk that the issuer will default on the bond and be unable to make payments. In addition, individuals depending on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- **ETF and Mutual Fund Risk.** ETF and mutual fund investments bear additional expenses based on a pro-rata share of operating expenses, including potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities held by the ETF or mutual fund. Clients also incur brokerage costs when purchasing ETFs.
- **Management Risk.** Client investments also vary with the success and failure of Advisor's investment strategies, research, analysis and determination of portfolio securities. If Advisor's strategies do not produce the expected returns, the value of a client's investments will decrease.

Item 9 – Disciplinary Information

Scott Roy Preble was discharged after allegations were made that accused him of violating investment-related statutes, regulations, rules, or industry standards of conduct. The termination occurred on 04/18/2012 after allegations that Scott Roy Preble failed to make required notifications to the firm and disclose outside business activity. Scott Roy Preble dissolved the LLC in question and claims that he never conducted any business, acted upon or received any monetary gain in connection with the LLC.

Item 10 – Other Financial Industry Activities and Affiliations

We do not have a related person that is:

- ☐ A broker/dealer, municipal securities dealer or government securities dealer or broker
- ☐ An investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)
- ☐ A investment adviser or financial planner
- ☐ A futures commission merchant, commodity pool operator or commodity trading advisor
- ☐ A banking or thrift institution
- ☐ A lawyer or law firm
- ☐ Accountant or accounting firm
- ☐ A pension consultant
- ☐ A real estate broker or dealer
- ☐ A sponsor or syndicator of limited partnerships.

Some of our representatives are also independently licensed to sell insurance products through various insurance companies. When acting in this capacity, they may receive fees or commissions for selling these products. Clients are under no obligation to direct insurance transactions to insurance companies with which our representatives may be licensed. Suitable insurance and investment products may be available from other companies.

Item 11 – Code of Ethics, Participation in Client Transactions and Personal Trading

According to the *Investment Advisers Act of 1940*, an investment advisor is considered a fiduciary. As a fiduciary, it is an investment advisor's responsibility to provide fair and full disclosure of all material facts. In addition, an investment advisor has a duty of utmost good faith to act solely in the best interest of each of its clients. Both we and our representatives have a fiduciary duty to all clients. We have established a Code of Ethics which all associated persons must read. They must then execute an acknowledgment stating that they understand and agree to comply with our Code of Ethics. Our fiduciary duty to clients and the fiduciary duty of our representatives to clients are considered the core underlying principle for our Code of Ethics and represent the expected basis for all dealings with clients. We have the responsibility to make sure that the interests of clients are placed ahead of us or our associated persons' own investment interests. All associated persons will conduct business in an honest, ethical and fair manner. All associated persons will comply with all federal and state securities laws at all times. Full disclosure of all material facts and potential conflicts of interest will be provided to clients prior to services being conducted.

All associated persons have a responsibility to avoid circumstances that might negatively affect or appear to affect their duty of complete loyalty to clients. This section is only intended to provide current clients and potential clients with a description of our Code of Ethics. If current clients or potential clients wish to review our Code of Ethics in its entirety, a copy may be requested from any of our associated persons and a copy will be provided promptly.

We do not recommend investment products. However, both we and our representatives may buy or sell investment products for our personal accounts. Some of these products may be identical to products recommended by AE Wealth Management (AEWM) or Sterling Capital when we refer clients to that investment advisor as a result of the existing solicitor arrangement or as a result of outsourcing our financial planning services to that investment advisor. We do not buy or sell securities for our personal accounts where our decision is derived, in whole or in part, by information obtained as a result of our employment unless the information is also available to the investing public upon reasonable inquiry. We are now and will continue to be in compliance with *The Insider Trading and Securities Fraud Enforcement Act of 1988*.

Item 12 – Brokerage Practices

We refer clients to AE Wealth Management, LLC for their asset management services and receive a solicitor/referral fee as a result of this solicitor relationship. We do not receive any research, soft dollar benefits or any other products or services from AE Wealth Management, LLC. Clients are not obligated to establish an account with AE Wealth Management, LLC and are free to select any broker/dealer or investment advisor to implement their securities and investment transactions.

Item 13 – Review of Accounts

Account Reviews

Financial planning and consulting accounts terminate upon presentation of the plan or completion of the consultation. However, we recommend that you have your financial situation reviewed and updated at least yearly. If you wish to undertake a review and update, a new client agreement will be required and additional fees may be charged.

Accounts at third party money managers are reviewed at least quarterly, usually when we receive copies of statements from the money manager. Our representatives conduct reviews on their own accounts. Although the calendar is the main triggering factor, account reviews are also conducted due to:

- ☐ Client request
- ☐ Change in client circumstances, account holdings or investment objectives
- ☐ Unusual economic conditions
- ☐ Changes in geopolitical environment.

Absent specific client instruction, accounts are reviewed to be sure portfolio holdings are accurate, investment products are still suitable and account performance continues to work toward the client's goals and objectives.

Account Reports

Financial planning clients do not receive any reports other than the financial plan originally contracted for. Clients with accounts at third party money managers receive statements from the account custodian at least quarterly. We do not provide any additional position reports, performance reports or account statements.

Item 14 – Client Referrals and Other Compensation

Other Compensation

For additional discussion on other compensation either we or our representatives receive, please refer to **Additional Compensation** under **Item 5, Fees and Compensation**, and **Item 10, Other Financial Industry Activities and Affiliations**.

Item 15 – Custody

Custody has been defined as having access or control over client funds and/or securities, but does **not** include the ability to execute transactions in client accounts. Custody is not limited to physically holding client funds and securities. If an investment advisor has the ability to access or control client funds or securities, the investment advisor is deemed to have custody for purposes of the *Investment Advisers Act of 1940* and must ensure proper procedures are implemented. Our procedures do **not** result in our maintaining custody of client funds and securities.

Although we do not have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements. When clients have questions about their account statements, they should contact us or the qualified custodian preparing the statement.

Item 16 – Investment Discretion

We provide asset management services and any other advisory services on a discretionary basis.

Item 17 – Voting Client Securities

We do not vote proxies or accept proxy materials on behalf of clients. All proxy materials are sent directly to clients from the product sponsor, custodian or transfer agent. Clients have the ultimate responsibility for making all proxy-voting decisions.

Item 18 – Financial Information

This item is not applicable to our brochure. We do not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for our most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, we have not been the subject of a bankruptcy petition at any time.

Item 19 – Class-Action Lawsuits

Clients retain the right under applicable securities laws to initiate individually a lawsuit or join a class-action lawsuit against the issuer of a security that was held, purchased or sold by or for client. We do not initiate such a legal proceeding on behalf of clients and do not provide legal advice to clients regarding potential causes of action against such a security issuer and whether the clients should join a class-action lawsuit. We recommend that clients seek legal counsel prior to making a decision regarding whether to participate in such a class-action lawsuit. Moreover, our services do not include monitoring or informing clients of any potential or actual class-action lawsuits against the issuers of the securities that were held, purchased or sold by or for clients.

Item 20 – Customer Privacy Policy

In November of 1999, Congress enacted the *Gramm-Leach-Bliley Act* (GLBA). The GLBA requires certain financial institutions, such as investment advisor firms, to protect the privacy of customer information. In situations where a financial institution does disclose customer information to non-affiliated third parties, other than permitted or required by law, customers must be given the opportunity to opt out or prevent such disclosure. We do not share or disclose customer information to non-affiliated third parties except as permitted or required by law.

We are committed to safeguarding the confidential information of its clients. We hold all personal information provided by clients in the strictest confidence and it is our objective to protect the privacy of all clients. Except as permitted or required by law, we do not share confidential information about clients with non-affiliated parties. In the event that there were to be a change in this policy, we will provide clients with written notice and clients will be provided an opportunity to direct us to whether such disclosure is permissible.

To conduct regular business, we may collect personal information from sources such as:

- ☐ Information reported by the client on applications or other forms the client provides to us
- ☐ Information about the client's transactions implemented by others
- ☐ Information developed as part of financial consultations and analyses
- ☐ Information collected voluntarily through questionnaires and other material provided by us with no obligation

To provide related services for client accounts, it is necessary for us to provide access to customer information within the firm and to non-affiliated companies with whom we have entered into agreements. To provide the utmost service, we may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on our behalf:

- ☐ Information we receive from the client on applications (name, social security number, address, assets, etc.)
- ☐ Information about a client's financial products and services transaction with us
- ☐ Information about the client's transactions with others (account information, payment history, parties to transactions, etc.)

Since we share non-public information solely to service clients, we do not disclose any non-public personal information about our customers or former customers to anyone, except as permitted by law. However, we may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas.