



a Registered Investment Adviser

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This brochure provides information about the qualifications and business practices of The Harvest Group Wealth Management, LLC (hereinafter "The Harvest Group" or the "Firm"). If you have any questions about the contents of this brochure, please contact the Firm at this telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC's website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, The Harvest Group is required to discuss any material changes that have been made to the brochure since the last annual amendment on March 23, 2018. There are no material changes to disclose pursuant to this Item.

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Item 4. Advisory Business

The Harvest Group offers a variety of advisory services which include financial planning, investment management and wealth management services. In dealing with clients, the Firm seeks first to evaluate a client's current, holistic financial situation prior to managing their investments. The Harvest Group then designs and implements an investment plan aimed at achieving a client's financial objectives. Prior to the Firm rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with The Harvest Group setting forth the relevant terms and conditions of the advisory relationship (the "Advisory Agreement").

The Harvest Group was formed in 2016 and is wholly owned by Laurie Ingwersen, Todd Ingwersen and Roger Ingwersen. As of March 18, 2019, The Harvest Group had \$332,883,266 of assets under management, \$264,541,948 of which was managed on a discretionary basis and \$68,341,318 was managed on a non-discretionary basis.

While this brochure generally describes the business of The Harvest Group, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm's officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or any other person who provides investment advice on The Harvest Group's behalf and is subject to the Firm's supervision or control.

Wealth Management Services

The Firm provides clients with wealth management services which may include financial planning services, as well as the discretionary and/or non-discretionary management of investment portfolios.

Under a wealth management engagement, The Harvest Group primarily allocates client assets among various mutual funds and exchange-traded funds ("ETFs") (including inverse and leveraged ETFs). On a limited basis, the Firm also allocates client assets among individual equity and debt securities in accordance with the clients' stated investment objectives. In addition, where appropriate, the Firm utilizes and/or provides advice regarding any other type of legacy position held in a client's portfolio to meet their investment needs. The Firm also anticipates allocating certain client assets, on a limited basis, to independent investment managers ("Independent Managers").

Clients can also engage The Harvest Group to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, the Firm directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

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

Use of Independent Managers

As mentioned above, the Firm anticipates selecting or recommending certain Independent Managers to actively manage certain client assets. The specific terms and conditions under which a client would engage an Independent Manager would be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets.

The Firm would evaluate a variety of information about Independent Managers, which include the Independent Managers' public disclosure documents, materials supplied by the Independent Managers themselves and other third-party analyses it believes are reputable. To the extent possible, the Firm would seek to assess the Independent Managers' investment strategies, past performance and risk results in relation to its clients' individual portfolio allocations and risk exposure. The Harvest Group also would take into consideration each Independent Manager's management style, returns, reputation, financial strength, reporting, pricing and research capabilities, among other factors.

The Harvest Group anticipates providing services relative to the discretionary or non-discretionary selection or recommendation of the Independent Managers. On an ongoing basis, the Firm would monitor the performance of those accounts being managed by Independent Managers, and would seek to ensure their strategies and target allocations remain aligned with its clients' investment objectives and overall best interests.

Financial Planning Services

The Harvest Group offers clients a broad range of financial planning services, which include any or all of the following functions where appropriate:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Financial Reporting

- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning
- Tax Planning
- Manager Due Diligence

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

In performing these services, The Harvest Group is not required to verify any information received from the client or from the client's other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. The Harvest Group recommends clients engage the Firm for additional related services, its Supervised Persons in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if clients engage The Harvest Group or its affiliates to provide additional services for compensation. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by The Harvest Group under a financial planning engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising The Harvest Group's recommendations and/or services.

Sponsor and Manager of Wrap Program

The Harvest Group also provides investment management services as the sponsor and manager of The Harvest Group Wrap Fee Program (the "Wrap Program"), a wrap fee program (i.e., an arrangement where certain brokerage commissions and transaction costs are absorbed by the Firm). Accounts managed through the Wrap Program are done so in substantially the same manner as those managed under a non-wrap arrangement. Participants in the Wrap Program may pay a higher aggregate fee than if investment management and brokerage services are purchased separately. Additional information about the Wrap Program is available in The Harvest Group's Wrap Brochure, which appears as Part 2A Appendix 1 of the Firm's Form ADV.

Retirement Plan Consulting Services

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

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

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

Item 5. Fees and Compensation

The Harvest Group offers services on a fee basis, which may include fixed fees as well as fees based upon assets under management or advisement. Additionally, certain of the Firm’s Supervised Persons, in their individual capacities, offer insurance or securities brokerage services under a separate commission-based arrangement.

Wealth Management Fees

The Harvest Group generally offers investment management services for an annual fee based on the amount of assets under the Firm’s management. This management fee generally varies between 100 and 150 basis points (1.00% – 1.50%), in accordance with the following fee schedule:

<u>PORTFOLIO VALUE</u>	<u>BASE FEE</u>
Up to \$4,999,999	1.50%
\$5,000,000 to \$9,999,999	1.25%
\$10,000,000 and more	1.00%

The annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets in the account as of the last day of the previous quarter. For the initial period of an engagement, the fee is calculated on a *pro rata* basis. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Additionally, for asset management services the Firm provides with respect to certain client holdings (e.g., held-away assets, accommodation accounts, etc.), The Harvest Group may negotiate a fee rate that differs from the range set forth above.

Financial Planning Fees

The Harvest Group generally charges a fixed fee for providing financial planning services under a stand-alone engagement. These fees are negotiable, but generally range from \$2,500 to \$50,000 depending upon the scope and complexity of the services and the professional rendering the financial planning services. If the client engages the Firm for additional investment advisory services, The Harvest Group may offset all or a portion of its fees for those services based upon the amount paid for the financial planning services.

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

Retirement Plan Consulting Fees

The Harvest Group generally charges as fixed project-based fee to provide clients with retirement plan consulting services. Each engagement is individually negotiated and tailored to accommodate the needs of the individual plan sponsor, as memorialized in the Advisory Agreement. These fees vary, based on the scope and complexity of the services to be rendered.

Fee Discretion

The Harvest Group may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, account retention and pro bono activities. Certain legacy clients may also be subject to a different fee schedule.

Additional Fees and Expenses

In addition to the advisory fees paid to The Harvest Group, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively “Financial Institutions”). These additional charges include securities brokerage commissions and other transaction costs, custodial fees, reporting charges, fees charged by the

Independent Managers, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), regulatory 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. The Firm's brokerage practices are described at length in Item 12, below.

Direct Fee Debit

Clients generally provide The Harvest Group and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to The Harvest Group. Alternatively, the Firm may allow certain clients to elect to have the Firm send a separate invoice for direct payment.

Commissions and Sales Charges for Recommendations of Securities

Clients can engage certain persons associated with The Harvest Group (but not the Firm directly) to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with The Harvest Group.

Under this arrangement, clients may implement securities transactions through certain of the Firm's Supervised Persons in their respective individual capacities as registered representatives of Purshe Kaplan Sterling Investments ("PKS"). ("PKS") (the "Brokerage Relationship"). PKS charges brokerage commissions to effect certain of these securities transactions and thereafter, a portion of these commissions can be paid by PKS to such Supervised Persons. As stated above, prior to effecting any transactions through the Brokerage Relationship, clients are required to enter into a new account agreement with PKS. The brokerage commissions charged by PKS may be higher or lower than those charged by other broker-dealers. The Firm may recommend no-load funds.

A conflict of interest exists to the extent that a Supervised Person of the Firm recommends the purchase or sale of securities where that Supervised Person receives commissions or other additional compensation as a result of that recommendation. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons to engage in the Brokerage Relationship are in the best interest of that client. Because the Supervised Persons may receive compensation in connection with the sale of mutual funds through the Brokerage Relationship, a conflict of interest exists as such Supervised Persons may have an incentive to recommend more expensive mutual fund share classes to clients where such Supervised Persons earn more compensation with respect to the sale of such mutual fund share classes. For certain accounts covered by the Employee Retirement Income Security Act of

1974 (“ERISA”) and such others that The Harvest Group, in its sole discretion, deems appropriate, The Harvest Group provides its investment advisory services on a fee-offset basis. In this scenario, The Harvest Group may offset its fees by an amount equal to the aggregate commissions and 12b-1 fees earned by the Firm’s Supervised Persons in their individual capacities as registered representatives of PKS.

Account Additions and Withdrawals

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

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

The Harvest Group does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client’s assets) or engage in side-by-side management.

Item 7. Types of Clients

The Harvest Group offers its services to individuals, pension and profit sharing plans, trusts, estates, corporations and business entities.

Minimum Account Requirements

The Firm does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship. Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, The Harvest Group may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

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

Methods of Analysis and Investment Strategies

The Harvest Group utilizes largely fundamental and technical methods of analysis while employing an asset allocation strategy based on a derivative of Modern Portfolio Theory.

Fundamental analysis involves an evaluation of the fundamental financial condition and competitive position of a particular fund or issuer. For The Harvest Group, this process typically involves an analysis of an issuer's management team, investment strategies, style drift, past performance, reputation and financial strength in relation to the asset class concentrations and risk exposures of the Firm's model asset allocations. A substantial risk in relying upon fundamental analysis is that while the overall health and position of a company may be good, evolving market conditions may negatively impact the security.

Technical analysis involves the examination of past market data rather than specific issuer information in determining the recommendations made to clients. Technical analysis may involve the use of mathematical based indicators and charts, such as moving averages and price correlations, to identify market patterns and trends which may be based on investor sentiment rather than the fundamentals of the company. A substantial risk in relying upon technical analysis is that spotting historical trends may not help to predict such trends in the future. Even if the trend will eventually reoccur, there is no guarantee that The Harvest Group will be able to accurately predict such a reoccurrence.

Modern Portfolio Theory ("MPT") is a mathematical based investment discipline that seeks to quantify expected portfolio returns in relation to corresponding portfolio risk. The basic premise of MPT is that the risk of a particular holding is to be assessed by comparing its price variations against those of the market portfolio. However, MPT disregards certain investment considerations and is based on a series of assumptions that may not necessarily reflect actual market conditions. As such, the factors for which MPT does not account (e.g., tax implications, regulatory constraints and brokerage costs) may negate the upside or add to the actual risk of a particular allocation. Nevertheless, The Harvest Group's investment process is structured in such a way to integrate those assumptions and real-life considerations for which MPT analytics do not account.

As discussed in Item 4, under a wealth management engagement, The Harvest Group primarily allocates client assets among various individual equity and debt securities, mutual funds, ETFs in accordance with their stated investment objectives. In addition, the Firm may provide advice on various types of legacy positions held in a client's portfolio to meet a client's investment needs. The Firm also looks for other investment opportunities that it believes will be beneficial for clients, and anticipates allocating certain client assets to Independent Managers.

Risk of Loss

Market Risks

Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of the Firm's recommendations and/or investment decisions may depend to a great extent upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. The Harvest Group retains broad discretion over the investment strategies and types of investments that it utilizes. While this allows the Firm to seek out broad opportunities for clients, there can be no assurance that The Harvest Group will find the right opportunities at the right time, nor be able to predict price movements accurately or capitalize on any assumptions.

Volatility Risks

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Cash Management Risks

The Firm may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

Equity-Related Securities and Instruments

The Firm may take long and short positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, midcapitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

Fixed Income Securities

Fixed income securities are subject to the risk of the issuer's or a guarantor's inability to meet principal and interest payments on its obligations and to price volatility.

Mutual Funds and ETFs

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

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

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

Inverse ETFs

An investment in an Inverse ETF involves risk, including loss of investment. Inverse ETFs or "short funds" track an index or benchmark and seek to deliver returns that are the opposite of the returns of the index or benchmark. If an index goes up, then the inverse ETF goes down, and vice versa. Inverse ETFs are a means to profit from and hedge exposure to a downward moving market.

Inverse ETF shareholders are subject to the risks stemming from an upward market, as inverse ETFs are designed to benefit from a downward market. Most inverse ETFs reset daily and are designed to achieve their stated objectives on a daily basis. The performance over longer periods of time, including weeks or months, can differ significantly from the underlying benchmark or index. Therefore, inverse ETFs may pose a risk of loss for buy-and-hold investors with intermediate or long-term horizons and significant

losses are possible even if the long-term performance of an index or benchmark shows a loss or gain. Inverse ETFs may be less tax-efficient than traditional ETFs because daily resets can cause the inverse ETF to realize significant short-term capital gains that may not be offset by a loss.

Leveraged ETFs

An investment in Leveraged ETFs involves significant risk. Leveraged ETFs attempt to deliver a multiple on their stated index. This is typically done through the use of swap agreements and futures contracts by the ETF. These ETFs can have multiples up to 3x which means they are attempting to increase return by three times. It also means that, should the value of the portfolio decrease, the Leveraged ETF will have a more significant loss than had it not been leveraged. Therefore, these ETFs have similar risks to using any leverage in investing. Furthermore, the ETFs are generally held for a short amount of time (often buying and selling on the same day). There may be tax consequences with this practice. In addition, the Firm may invest in Inverse Leveraged ETFs, which combine the risks mentioned with both the Inverse ETFs and Leveraged ETFs. Therefore, while there can be a benefit in using Leveraged ETFs, these products are riskier than non-leveraged ETFs and will have the effect of exacerbating any losses.

Use of Independent Managers

As stated above, The Harvest Group anticipates selecting certain Independent Managers to manage a portion of its clients' assets. In these situation The Harvest Group would continue to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, the Firm would not have the ability to supervise the Independent Managers on a day-to-day basis.

Management through Similarly Managed "Model" Accounts

The Harvest Group manages certain accounts through the use of similarly managed "model" portfolios, whereby the Firm allocates all or a portion of its clients' assets among various mutual funds and/or securities on a discretionary basis using one or more of its proprietary investment strategies. In managing assets through the use of models, the Firm remains in compliance with the safe harbor provisions of Rule 3a-4 of the Investment Company Act of 1940.

The strategy used to manage a model portfolio may involve an above average portfolio turnover that could negatively impact clients' net after tax gains. While the Firm seeks to ensure that clients' assets are managed in a manner consistent with their individual financial situations and investment objectives, securities transactions effected pursuant to a model investment strategy may be done without regard to a client's individual tax ramifications. Clients should contact the Firm if they experience a change in their financial situation or if they want to impose reasonable restrictions on the management of their accounts.

Item 9. Disciplinary Information

The Harvest Group has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

Registered Representatives of a Broker/Dealer

Certain of the Firm's Supervised Persons are registered representatives of PKS and provide clients with securities brokerage services under a separate commission-based arrangement. This arrangement is described at length in Item 5.

Licensed Insurance Agents

Certain of the Firm's Supervised Persons are licensed insurance agents and offer certain insurance products on a fully-disclosed commissionable basis. A conflict of interest exists to the extent that The Harvest Group recommends the purchase of insurance products where its Supervised Persons are entitled to insurance commissions or other additional compensation. The Firm has procedures in place whereby it seeks to ensure that all recommendations are made in its clients' best interest regardless of any such affiliations.

Referral Fee for Mortgages

When clients need mortgage services, certain of the Firm's Supervised Persons can refer clients to mortgage brokers or banks and receive a fee from the broker or bank for such referral. A conflict of interest exists to the extent that The Harvest Group recommends a particular provider where its Supervised Persons are entitled to compensation.

Fees from Independent Managers

As discussed above, The Harvest Group anticipates recommending that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain Independent Managers. As of this filing, the Firm has not yet engaged such Independent Managers but can anticipate that in certain circumstances the Firm's compensation would be included in the advisory fee charged by such Independent Managers. There may be a conflict of interest to choose such Independent Managers; however, The Harvest Group evaluates Independent Managers objectively and not based on the amount of compensation it could receive from a particular Independent Manager.

Item 11. Code of Ethics

The Harvest Group has adopted a code of ethics in compliance with applicable securities laws (“Code of Ethics”) that sets forth the standards of conduct expected of its Supervised Persons. The Harvest Group’s Code of Ethics contains written policies reasonably designed to prevent certain unlawful practices such as the use of material non-public information by the Firm or any of its Supervised Persons and the trading by the same of securities ahead of clients in order to take advantage of pending orders.

The Code of Ethics also requires certain of The Harvest Group’s personnel to report their personal securities holdings and transactions and obtain pre-approval of certain investments (e.g., initial public offerings, limited offerings). However, the Firm’s Supervised Persons are permitted to buy or sell securities that it also recommends to clients if done in a fair and equitable manner that is consistent with the Firm’s policies and procedures. This Code of Ethics has been established recognizing that some securities trade in sufficiently broad markets to permit transactions by certain personnel to be completed without any appreciable impact on the markets of such securities. Therefore, under limited circumstances, exceptions may be made to the policies stated below.

When the Firm is engaging in or considering a transaction in any security on behalf of a client, no Supervised Person with access to this information may knowingly effect for themselves or for their immediate family (i.e., spouse, minor children and adults living in the same household) a transaction in that security unless:

- the transaction has been completed;
- the transaction for the Supervised Person is completed as part of a batch trade with clients; or
- a decision has been made not to engage in the transaction for the client.

These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments; (iii) shares issued by open-end mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more open-end mutual funds.

Clients and prospective clients may contact The Harvest Group to request a copy of its Code of Ethics.

Item 12. Brokerage Practices

Recommendation of Broker/Dealers for Client Transactions

The Harvest Group recommends that clients utilize the custody, brokerage and clearing services of Schwab Advisor Services™ (“Schwab”) for investment management accounts.

Factors which The Harvest Group considers in recommending Schwab or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. Schwab enables the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other Financial Institutions.

The commissions paid by The Harvest Group’s clients to Schwab comply with the Firm’s duty to obtain “best execution.” Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where The Harvest Group determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution’s services, including among others, the value of research provided, execution capability, commission rates and responsiveness. The Harvest Group seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker/dealers in return for investment research products and/or services which assist The Harvest Group in its investment decision-making process. Such research generally will be used to service all of the Firm’s clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client’s portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because The Harvest Group does not have to produce or pay for the products or services.

The Harvest Group periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Software and Support Provided by Financial Institutions

The Harvest Group receives without cost from Schwab computer software and related systems support, which allow The Harvest Group to better monitor client accounts maintained at Schwab. The Harvest Group receives the software and related support without cost because the Firm renders investment management services to clients that maintain assets at Schwab. The software and support is not provided

in connection with securities transactions of clients (i.e., not “soft dollars”). The software and related systems support may benefit The Harvest Group, but not its clients directly. In fulfilling its duties to its clients, The Harvest Group endeavors at all times to put the interests of its clients first. Clients should be aware, however, that The Harvest Group’s receipt of economic benefits from a broker/dealer creates a conflict of interest since these benefits provide an incentive for the Firm to choose one broker/dealer over another that does not furnish similar software, systems support or services.

Specifically, The Harvest Group receives the following benefits from Schwab:

- Credits to be used toward paying qualifying third-party service providers used in connection with the Firm’s research, technology, marketing, compliance, software platforms and other support. The credits will be made available upon hitting designated thresholds for assets placed with Schwab. The amount credited will depend on the amount of assets that the Firm has on Schwab’s platform, which is a conflict of interest since this creates an incentive for the Firm to recommend Schwab to its clients.
- Receipt of duplicate client confirmations and bundled duplicate statements;
- Access to a trading desk that exclusively services its institutional traders;
- Access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and
- Access to an electronic communication network for client order entry and account information.

Brokerage for Client Referrals

The Harvest Group does not consider, in selecting or recommending broker/dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

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

operational difficulties or violate restrictions imposed by other broker-dealers (as further discussed below).

Trade Aggregation

Transactions for each client generally will be effected independently, unless The Harvest Group decides to purchase or sell the same securities for several clients at approximately the same time. The Harvest Group may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm’s clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among The Harvest Group’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that the Firm determines to aggregate client orders for the purchase or sale of securities, including securities in which The Harvest Group’s Supervised Persons invest, the Firm does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the U.S. Securities and Exchange Commission. The Harvest Group does not receive any additional compensation or remuneration as a result of the aggregation.

In the event that the Firm determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares will be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations will be given to one account when such account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares will be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations will be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, the Firm will exclude the account(s) from the allocation; the transactions will be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares will be allocated to one or more accounts on a random basis.

Sponsorships

Periodically The Harvest Group holds client meetings. These meetings provide sponsorship opportunities for mutual funds and other groups (“Sponsors”). The Sponsors may be interested in sponsoring these meetings as a way of supporting the Firm and/or to advertise their products and services to The Harvest

Group clients. This is a conflict of interest as the Sponsors' financial support and/or involvement in client meetings may lead the Firm to favor those Sponsors in making decisions on whether to utilize the services or products of that Sponsor. The Harvest Group will only utilize the services or products of a Sponsor if it is in the best interest of clients, regardless of any sponsorship.

Item 13. Review of Accounts

Account Reviews

The Harvest Group monitors client portfolios on a continuous and ongoing basis while regular account reviews and/or a review of the securities in client portfolios are conducted on at least a quarterly basis. Such reviews are conducted by one of the Firm's investment adviser representatives. All investment advisory clients are encouraged to discuss their needs, goals and objectives with The Harvest Group and to keep the Firm informed of any changes thereto. The Firm contacts ongoing investment advisory clients at least annually to review its previous services and/or recommendations and to discuss the impact resulting from any changes in the client's financial situation and/or investment objectives.

Account Statements and Reports

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

Item 14. Client Referrals and Other Compensation

Client Referrals

The Firm compensates third parties for client referrals. In the event a client is introduced to The Harvest Group by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from The Harvest Group's investment management fee and does not result in any additional charge to the client. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with The Harvest Group's written brochure(s) and a copy of a solicitor's disclosure

statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of The Harvest Group is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Item 15. Custody

The Advisory Agreement and/or the separate agreement with any Financial Institution generally authorize The Harvest Group and/or the Independent Managers to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to The Harvest Group.

In addition, as discussed in Item 13, The Harvest Group may also send periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from The Harvest Group.

Item 16. Investment Discretion

The Harvest Group is given the authority to exercise discretion on behalf of clients. The Harvest Group is considered to exercise investment discretion over a client's account if it can effect and/or direct transactions in client accounts without first seeking their consent. The Harvest Group is given this authority through a power-of-attorney included in the agreement between The Harvest Group and the client. Clients may request a limitation on this authority (such as requesting that certain securities not be bought or sold). The Harvest Group takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

Declination of Proxy Voting Authority

The Harvest Group does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institutions where their assets are custodied, and may contact the Firm using the contact information on the cover of this brochure with questions about any such issuer solicitations.

Item 18. Financial Information

The Harvest Group is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.