



GREENWOOD GEARHART

## Firm Brochure Part 2A of Form ADV

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This brochure provides information about the qualifications and business practices of Greenwood Gearhart. If you have any questions about the contents of this brochure, please contact us at 479-521-5353 or [info@greenwoodgearhart.com](mailto:info@greenwoodgearhart.com).

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 Greenwood Gearhart also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Registration as a "Registered Investment Advisor" with the Securities and Exchange Commission (SEC) does not imply a certain level of skill or training.

## Item 2 Material Changes

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### Material Changes since the Last Update

Since GGI's Last Update, dated March 2024, this Part 2A has been updated as follows:

- At Item 5 to reflect a change from arrears to advance billing and to increase and enhance disclosures regarding legacy service and alternative fee arrangements.
- At Item 10 to remove affiliate disclosure information in connection with the sale of Greenwood Group.
- At Item 11 to discuss procedures protected against the misuse of material nonpublic information.

**ANY QUESTIONS: GGI Chief Compliance Officer, Lisa A. Brown, remains available to address any questions regarding this Part 2A, including the disclosure additions and enhancements below.**

The SEC adopted "Amendments to Form ADV" in July, 2010. This Form ADV Part 2A (Firm Brochure), is GGI's disclosure document prepared according to the SEC's new format requirements. This document is a narrative that is substantially different in format, but not in content with GGI's previous Investment Advisory Agreement and includes some new information that GGI was not previously required to disclose.

Pursuant to the ongoing written disclosure requirement placed upon registered investment advisers, GGI is required, on an annual basis, to make available to the Client, its most recent written disclosure statement as set forth on the firm's Form ADV Part 2A ("Firm Brochure"). Additionally, upon request, Greenwood Gearhart Inc. will provide to the Client a replacement copy of the original, executed Investment Advisory Agreement. **If you desire a copy of GGI's most recent Firm Brochure and/or Investment Advisory Agreement, please contact GGI's Chief Compliance Officer, Lisa A. Brown.**

## Item 3 Table of Contents

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Item 1	Cover Page .....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents .....	3
Item 4	Advisory Business .....	4
Item 5	Fees and Compensation .....	7
Item 6	Performance-Based Fees and Side-by-Side Management .....	8
Item 7	Types of Clients .....	9
Item 8	Methods of Analysis, Investment Strategies, and Risk of Loss .....	9
Item 9	Disciplinary Information .....	11
Item 10	Other Financial Industry Activities and Affiliations .....	11
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading .....	13
Item 12	Brokerage Practices .....	13
Item 13	Review of Accounts .....	15
Item 14	Client Referrals and Other Compensation .....	16
Item 15	Custody .....	16
Item 16	Investment Discretion .....	17
Item 17	Voting Client Securities .....	17
Item 18	Financial Information .....	17

## Item 4 Advisory Business

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Greenwood Gearhart Inc. (“GGI”) is a fee-only investment advisory firm registered with the Securities and Exchange Commission. The firm’s principal offices are located at 26 East Center Street in Fayetteville, Arkansas. GGI offers investment management, portfolio management, financial planning and general family office services to the general public, including but not limited to individuals, defined contribution plans, charitable institutions, trust accounts and various other institutions. Founded in 1982, Greenwood Gearhart, Inc. is registered as an Investment Adviser with the Securities and Exchange Commission under the Investment Advisers Act of 1940.

GGI is a fee-only investment management firm. The firm is not affiliated with entities that sell financial products or securities. No commissions in any form are accepted. No finder’s fees are accepted.

### **Investment Advisory Services**

Clients can engage GGI to provide discretionary investment advisory services on a fee-only basis. GGI’s annual investment advisory fee is based upon a percentage (%) of the market value of the assets placed under GGI’s management. Before engaging GGI to provide investment advisory services, clients are required to enter into an Investment Advisory Agreement with GGI setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the fee that is due from the client.

GGI’s annual investment advisory fee shall include investment advisory services, and, to the extent specifically requested by the client, financial planning and consulting services. In the event that the client requires extraordinary planning and/or consultation services that are separate or in addition to investment advisory services (to be determined in the sole discretion of GGI), GGI may determine to charge for such additional services, which additional fee shall be agreed upon between GGI and the client.

Clients may also choose to supplement investment advisory and financial planning services with GGI’s Family Office or Family Arrangement services. GGI’s Family Office services (generally reserved for clients with \$5,000,000 or more under GGI’s management) generally include Estate Planning and Personal Tax coordination services. Costs associated with services rendered by third parties are generally the client’s responsibility, unless otherwise agreed, in writing.

Estate Planning services generally entail the preparation of a revocable trust, will, living will, financial and health care powers of attorney, HIPPA documents, and in some cases, more advanced estate plans or estate tax plans, as requested by the client and to the extent applicable to the client’s circumstances Estate Planning services are provided by a qualified third-party professional, not GGI.

GGI’s Family Office services also generally include Personal Tax services. Personal Tax services generally entail personal tax planning and analysis, as well as the preparation of the annual personal tax return for the client. Personal Tax Services are provided by a qualified third-party professional, not GGI.

For clients with less than \$5,000,000 under GGI’s management, Family Arrangement services can be provided. Family Arrangement engagements can generally include the same scope of services as Family Office engagements, with each respective service selected on an a la carte basis.

GGI shall provide services specific to the needs of each client. To commence the investment advisory process, an investment adviser representative will first ascertain each client’s investment objectives and then allocate investment assets consistent with the designated investment objectives. Once allocated, GGI provides ongoing monitoring and review of account performance and asset allocation as compared to client investment objectives and may periodically execute account transactions based upon such reviews. Clients may, at any time, impose reasonable restrictions, in writing, on GGI’s services.

GGI does not participate in a wrap fee program.

**Please Note:** To the extent the Client elects to receive certain concierge services, Client’s fee may increase relative to the additional services selected.

All reports, communications and other notices to the Client hereunder shall be given or sent to the Client at their provided address. Electronic communication may also be used as directed by the Client.

**Limitations of Financial Planning and Non-Investment Consulting/Implementation Services** – To the extent specifically engaged by a Client to do so per the terms and conditions of a written agreement and fee, GGI shall generally provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. GGI **does not** serve as an attorney, accountant, or insurance agency, and no portion of GGI's services should be construed as same. Accordingly, GGI **does not** prepare estate planning documents, tax returns or sell insurance products. **To the extent requested by a client, GGI may recommend the services of other professionals for certain non-investment implementation purpose (i.e. attorneys, accountants, insurance, etc).** The Client is under no obligation to engage the services of any such recommended professional. The Client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation that GGI makes. **Please Note:** If the Client engages any unaffiliated recommended professional, and a dispute arises thereafter relative to such engagement, the Client agrees to seek recourse exclusively from and against the engaged professional. **Please Also Note:** It remains the Client's responsibility to promptly notify GGI if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising GGI's previous recommendations and/or services.

**Retirement Plan Rollovers – No Obligation / Conflict of Interest** – A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If GGI recommends that a client roll over their retirement plan assets into an account to be managed by GGI, such a recommendation creates a conflict of interest if GGI will earn a new (or increase its current) advisory fee as a result of the rollover. No client is under any obligation to roll over retirement plan assets to an account managed by GGI. **GGI's Chief Compliance Officer, Lisa A. Brown, remains available to address any questions that a client or prospective client may have regarding the conflict of interest presented by such a rollover recommendation.**

**ERISA / Internal Revenue Code Fiduciary Acknowledgment** – When GGI provides investment advice to a client regarding the client's retirement plan account or individual retirement account, it does so as a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts. The way GGI makes money creates some conflicts with client interests, so GGI operates under a special rule that requires it to act in the client's best interest and not put its interests ahead of the client's.

Under this special rule's provisions, GGI must:

- Meet a professional standard of care when making investment recommendations (give prudent advice);
- Never put its financial interests ahead of the client's when making recommendations (give loyal advice);
- Avoid misleading statements about conflicts of interest, fees, and investments;
- Follow policies and procedures designed to ensure that GGI gives advice that is in the client's best interest;
- Charge no more than is reasonable for GGI's services; and
- Give the client basic information about conflicts of interest.

**Use of Mutual Funds** – Most mutual funds and exchange traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that may be utilized by GGI independent of engaging GGI as an investment adviser. However, if a prospective client determines to do so, he/she will not receive GGI's initial and ongoing investment advisory services. **Please Note:** In addition to GGI's investment advisory fee described below, and transaction and/or custodial fees discussed below, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses).

**Portfolio Activity** – GGI has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, GGI will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, account additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when GGI determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, there can be no assurance that investment decisions made by GGI will be profitable or equal any specific performance level(s).

**Private Fund** – GGI, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to various private investments funds and other private investment vehicles, including those in which GGI or its individual principals maintain an ownership and/or management interest. These relationships, to the extent applicable, are described in more detail in Item 10 below. The terms and conditions for participating in the private investments, including management and incentive fees, conflicts of interest, and risk factors, are set forth in each investment’s offering or operating documents. GGI’s clients are under absolutely no obligation to consider or make an investment in a private investment fund(s).

1. **Fund Risk Factors**

Private investment funds generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each fund’s offering documents, which will be provided to each client for review and consideration. Unlike liquid investments that a client may maintain, private investment funds do not provide daily liquidity or pricing. Each prospective client investor will be required to complete certain offering documents, pursuant to which the client shall establish that he/she is qualified for the private investment or fund, and acknowledges and accepts the various risk factors that are associated with such an investment. Further, each prospective client investor accepts and understands that other investors, managers, or administrators in such private investment fund may gain certain knowledge of such client’s investment by way of the offering documents and any confidentiality as it relates to such investment may be restricted as such.

2. **Conflict of Interest**

As agreed upon with the client, GGI may collect an asset-based fee from the client with respect to the value of private investments recommended by GGI, which can include (but is not necessarily limited to) client investments in the private investments in which GGI and/or GGI’s principals maintain ownership and/or management interests. Please see Item 5 below for further details on GGI’s fees and Item 10 below for further details on GGI and GGI’s principal’s relationships with certain private investments. In addition to this asset-based fee, the manager(s) of the private investments are also entitled to receive incentive compensation in the form of carried interest. This compensation structure presents a conflict of interest, as GGI may be entitled to an asset-based fee for private investments, while GGI and/or GGI’s individual principals can share in the incentive compensation generated by those private investments in which GGI or its principals maintain ownership and/or management interests. No client is under any obligation to become an investor in any private investment recommended by GGI. **GGI’s Chief Compliance Officer, Lisa A. Brown, remains available to address any questions regarding this conflict of interest.**

3. **Private Investment Fund Valuation**

In the event that GGI references one or more private investments owned by the client on any supplemental account reports, the values for all such private investments will generally reflect the most recent value. The current value of any private investment fund could be significantly more or less than the original purchase price or the price reflected in any supplemental account report. If a private investment fund has invested in a third-party fund, the investment manager of that fund is responsible for determining the value of interests in that fund. GGI will rely on values provided by the third-party fund’s manager.

**Tradeaway/Prime Broker Fees** – Relative to its discretionary investment management services, when beneficial to the Client, individual fixed income transactions may be effected through broker-dealers other than the account custodian, in which event, the Client generally will incur both the fee (commission, mark-up/mark-down) charged by the executing broker-dealer and a separate “tradeaway” and/or prime broker fee charged by the account custodian.

**Client Obligations** – In performing its services, GGI shall not be required to verify any information received from the Client or from the Client’s other professionals and is expressly authorized to rely thereon. Moreover, each Client is advised that it remains his/her/its responsibility to promptly notify GGI if there is ever any change in his/her/its financial situation or investment objectives for the purpose of reviewing/evaluating/revising GGI’s previous recommendations and/or services.

**Please Note: Investment Risk** – Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by GGI) will be profitable or equal any specific performance level(s).

**Disclosure Statement** – A copy of GGI’s written disclosure statement as set forth on Part 2 of Form ADV shall be provided to each client before, or contemporaneously with, the execution of the client’s Investment Advisory Agreement. As of December 31, 2023 (our prior fiscal year end), GGI had \$1,107,171,077 of assets under management on a discretionary basis.

Additional information about Greenwood Gearhart Inc. is available at [www.greenwoodgearhart.com](http://www.greenwoodgearhart.com).

## Item 5 Fees and Compensation

The fee will be determined quarterly as of the prior calendar quarter ending market value. The fee is based on the schedule below and computed based on the assets under management. The fee is assessed at each level shown below. The fee will be billed pro rata on a quarterly basis, in advance, and deducted electronically through the custodian on or around the first day of the quarter. The fee may be adjusted for significant capital additions or withdrawals and will be determined on a case-by-case basis. Fee calculations will generally disregard any outstanding margin or securities-based loan debit balance but will include the value of any assets purchased on margin and placed under GGI’s management. If this contract is prematurely terminated, the prepaid fee shall be refunded on a pro rata basis based upon the number of days remaining in the billing quarter. The Client, not the Custodian, assumes responsibility for verifying the accuracy of the fee calculation.

**Please Note:** GGI uses third party software to calculate and bill its fees. This software includes accrued interest in the calculation of the client’s assets under GGI’s management, which is the basis for GGI’s fee.

Assets Under Management	Annualized Fee
Up to \$1,000,000	One percent (1.00%) of the market value of the investment portfolio.
\$1,000,000 up to \$10,000,000	Three-fourths percent (0.75%) of the market value of the investment portfolio
\$10,000,000 up to \$20,000,000	One-half percent (0.50%) of the market value of the investment portfolio
Over \$20,000,000	One-fourth percent (0.25%) of the market value of the investment portfolio

To illustrate the above, a client placing \$1,500,000 under GGI’s management would incur an annual fee of 1.00% on the first \$1,000,000 and 0.75% on the remaining \$500,000.

To the extent GGI recommends one or more private investments (including but not limited to those private investments in which GGI and/or GGI’s principals maintain ownership and/or management interests, as discussed in Item 4 above and 10 below), and the client elects to engage in the recommended transaction, the value of any such private investment may be subject to an annual asset-based fee. Depending on the particular private investment, this fee may be assessed at the client’s standard asset-based fee rate, or the client may be assessed a distinct annual private investment fee ranging from 0.25% – 2.00% of the value of the private investment. Unless otherwise agreed, this private investment fee will be billed with the same timing and frequency as the client’s standard asset-based fee and will either be deducted from another client account under GGI’s management or will be invoiced directly to the client. The specific fee rate and payment terms will be agreed upon with the client prior to the private investment transaction. Performance-based fees may also apply as described in Item 6 below.

GGI, in its sole discretion, may charge a lesser investment management fee based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with Client, charitable organizations, investment objective, cash, concentrated stock, etc.). In certain instances, family portfolios may be bundled for fee calculation purposes at the discretion of GGI.

As discussed below, unless the client directs otherwise or an individual client’s circumstances require, GGI shall generally recommend that Charles Schwab & Co., Inc. (“*Schwab*”) serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as *Schwab* charge brokerage commissions and/or transaction fees for effecting certain securities

transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equities, and fixed income securities transactions may have a commission or use a bid-ask spread). In addition to GGI's investment management fee, brokerage commissions, and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). Family Office and Family Arrangement clients will generally also incur separate fees assessed by their engaged third-party professional(s). Neither GGI, nor its representatives, accept compensation from the sale of securities or other investment products.

**Legacy Engagements and Alternative Fee Arrangements.** From time to time, GGI may acquire client relationships from other investment advisers. In these instances, GGI may, in its sole discretion, continue to honor the fee practices of the predecessor adviser. This could result in acquired clients being subjected to different fee timing (i.e., fees collected in arrears rather than advance) and frequency (i.e., fees collected monthly rather than quarterly) than the practices described herein. In addition, certain of GGI's clients remain engaged under legacy services and/or fee arrangements, which services and/or fee arrangements are not described in this Brochure and are no longer offered by GGI to new clients. All such clients are advised to consult their executed agreement(s) with GGI for further details. GGI remains available to discuss any questions a client might have on their current services and/or fee arrangements.

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

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GGI's standard asset-based compensation for client account management shall **not** be compensated on the basis of a share of capital gains or capital appreciation of the funds or any portion of the principal of the funds of the Client.

However, certain private investments for which GGI and/or GGI's principals provide investment management services, or in which GGI and/or GGI's principals maintain ownership and/or other management interests (as discussed in Item 10 below), may charge performance-based (incentive) fees to investors in such vehicles. To the extent applicable, this incentive compensation is completely separate from any management fees assessed by GGI for client account management and is billed and reported to the client separately in invoicing/reporting provided directly from the investment's manager. Clients are advised that performance-based fees involve a sharing of any portfolio gains between the client and the investment manager. Such performance-based fees create a conflict of interest, because the investment's manager is incentivized to take additional risks in the management of the investment's assets that may be in conflict with the investor's current investment objectives and risk tolerance. A further conflict of interest is present due to the ownership and/or management interests maintained by GGI and/or GGI's principals in the private investments, which is discussed further in Item 10 below.

The performance-based fees charged by the private investments are in addition to the asset-based fees charged by GGI and discussed in Item 5. Clients are also advised that GGI has an economic incentive to recommend an investment in any private vehicle in which GGI and/or GGI's principal would share in the performance-based compensation.

Performance-based fees may only be offered to clients who meet one of the following criteria:

- A natural person who or a company that immediately after entering into the contract has at least \$1,100,000 under the management of the investment adviser;
- A natural person who or a company that the investment adviser entering into the contract (and any person acting on his behalf) reasonably believes, immediately before entering into the contract, either:
  - Has a net worth (together, in the case of a natural person, with assets held jointly with a spouse, excluding principal residence) of more than \$2,200,000, at the time the contract is entered into; or
  - Is a qualified purchaser as defined in section 2(a)(51)(AA) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(51)(A)) at the time the contract is entered into; or
- A natural person who immediately before entering into the contract is:
  - An executive officer, director, trustee, general partner, or person serving in similar capacity of the investment adviser; or
  - An employee of the investment adviser (other than an employee performing solely clerical, secretarial, or administrative functions with regard to the investment adviser) who, in connection with his or her regular functions or duties, participates in the investment activities of such investment adviser, provided that such employee has been performing such functions and duties for or on behalf of the investment adviser, or substantially similar functions or duties for or on behalf of another company for at least 12 months.

## Item 7 Types of Clients

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GGI provides investment management services for individuals, defined contribution plans, charitable institutions, trust accounts and various other institutions. GGI generally requires a minimum of \$1,000,000 in assets under for its investment advisory services. GGI generally also requires a minimum of \$5,000,000 in assets under management for Family Office services. GGI, in its sole discretion, may waive or reduce its account minimum or minimum fee requirements based upon certain subjective and objective factors (i.e., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, competitive pricing, negotiations with client, etc.). **Please Note:** As result of the above, similarly situated clients could pay different fees. In addition, similar advisory services may be available from other investment advisers for similar or lower fees. **ANY QUESTIONS:** *GGI's Chief Compliance Officer, Lisa A. Brown, remains available to address any questions that a client or prospective client may have regarding advisory fees.*

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

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GGI shall provide, but shall not be limited to, advice on the following types of securities: equity securities, preferred securities, corporate debt securities, municipal debt securities, United States government securities, certain alternative investments and Exchange Traded Funds (ETFs). In certain instances, GGI may provide advice on the use of Mutual Funds (including Money Market Mutual Funds). Investing in securities involves the risk of loss that clients should be prepared to bear.

GGI shall conduct an initial management review to establish the Client objectives and constraints and to develop an appropriate investment portfolio policy. GGI shall implement decision-making strategies to reflect the risk-return requirements and/or asset allocation structures consistent with GGI's recommended portfolio policy. GGI may suspend the Client's asset allocation policy by providing notice, in writing, to the Client.

When investing in individual company securities, GGI shall employ a fundamental approach for security analysis integrating economic, industry and company evaluations to identify an investment value for securities. Specifically, the basic process of fundamental analysis shall involve evaluating the financial strength, the product and service prospects, the competitive advantages, the industry structure, and the management quality and capital allocation practices of the individual company. Investment principles employed in this fundamental analysis approach shall center on identifying attractively valued securities that are appropriate for the investment strategy selected. This strategy shall implement the recommended investment portfolio policy consistent with the Client's objectives. GGI's fundamental approach to management shall seek long-term results designed to safeguard capital and to achieve favorable long-term investment performance. For alternative investments, GGI will review proprietary research of sourcing investment sponsor and form a recommendation on the investment that considers each client's unique circumstances.

The investment strategies utilized by GGI shall vary with the investment portfolio policy recommended for each Client. Specifically, the strategy implemented shall be affected by, but not be limited to, (i) the asset-allocation decision: the balance between equity and debt securities which defines risk tolerance (both ability and willingness to assume risk) and return objectives consistent with Client needs; (ii) the various investment constraints: liquidity needs, time horizon, tax status, legal and regulatory considerations, and unique Client circumstances and preferences; and (iii) the investment philosophy of fundamental analysis which seeks to achieve favorable long-term investment performance.

GGI shall conduct research to support a reasonable and adequate basis for investment recommendations and actions but shall not guarantee the investment performance or the capital preservation of the investment portfolio. GGI shall use, but shall not be limited to, the following principal sources of information: print and electronic media, publications of the financial and economic press, industry associations, corporations, governmental agencies, third-party research services, and various investment advisory services, professional conferences and seminars, and interviews with corporate management and other knowledgeable sources. **GGI shall not knowingly use any sources of information in violation of any statute or regulation governing securities matters.**

For clients who qualify to maintain an investment in private investments funds and other private investment vehicles (as discussed in Item 4 above), certain risk factors will apply. Private investments generally involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints and lack of transparency, a complete discussion of which is set forth in each investment's offering documents, which will be provided to each client for review and consideration. Unlike

liquid investments that a client may own, private investments do not provide daily liquidity or pricing. Each prospective client investor will be required to complete a Subscription Agreement, pursuant to which the client shall establish that he/she is qualified for the private investment or fund and acknowledges and accepts the various risk factors that are associated with such an investment.

In addition to the risks applicable to private investments, the following risks may apply to the asset types used or recommended by GGI in client account management:

- **Interest-rate Risk:** Fluctuations in interest rates may cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- **Market Risk:** The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk may be caused by external factors independent of the fund's specific investments as well as due to the fund's specific investments. Additionally, each security's price will fluctuate based on market movement and emotion, which may, or may not be due to the security's operations or changes in its true value. For example, political, economic and social conditions may trigger market events which are temporarily negative, or temporarily positive.
- **Inflation Risk:** When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- **Reinvestment Risk:** This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- **Financial Risk:** Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.
- **Market Risk (Systematic Risk):** Even a long-term investment approach cannot guarantee a profit. Economic, political, and issuer-specific events will cause the value of securities to rise or fall. Because the value of your portfolio will fluctuate, there is a risk that you will lose money.
- **Unsystematic Risk:** Unsystematic risk is the company-specific or industry-specific risk in a portfolio. The combination of systematic (market risk) and unsystematic risk is defined as the portfolio risk that the investor bears. While the investor can do little to reduce systematic risk, he or she can affect unsystematic risk. Unsystematic risk may be significantly reduced through diversification. However, even a portfolio of well-diversified assets cannot escape all risk.
- **Credit Risk:** Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade to an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value, and thus, impact performance. Credit risk is greater for fixed income securities with ratings below investment grade (BB or below by Standard & Poor's Rating Group or Ba or below by Moody's Investors Service, Inc.). Fixed income securities that are below investment grade involve higher credit risk and are considered speculative.
- **Income Risk:** Income risk is the risk that falling interest rates will cause the investment's income to decline.
- **Call Risk:** Call risk is the risk that during periods of falling interest rates, a bond issuer will call or repay a higher-yielding bond before its maturity date, forcing the investment to reinvest in bonds with lower interest rates than the original obligations.
- **Purchasing Power Risk:** Purchasing power risk is the risk that your investment's value will decline as the price of goods rises (inflation). The investment's value itself does not decline, but its relative value does, which is the same thing. Inflation can happen for a variety of complex reasons, including a growing economy and a rising money supply. Rising inflation means that if you have \$1,000 and inflation rises 5 percent in a year, your \$1,000 has lost 5 percent of its value, as it cannot buy what it could buy a year previous.
- **Political Risks:** Most investments have a global component, even domestic stocks. Political events anywhere in the world may have unforeseen consequences to markets around the world.
- **Regulatory Risk:** Changes in laws and regulations from any government can change the market value of companies subject to such regulations. Certain industries are more susceptible to government regulation. Changes in zoning, tax structure or laws impact the return on these investments.
- **Risks Related to Investment Term:** Securities do not follow a straight line up in value. All securities will have periods of time when the current price of the security is not what we believe it is truly worth. If you require us to liquidate your portfolio during one of these periods, you will not realize as much value as you would have had the investment had the opportunity to regain its value.

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 ETFs and mutual funds 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. As such, a mutual fund or ETF client or investor may incur substantial tax liabilities even when the fund underperforms.

Shares of mutual funds are 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 in the market value of the fund's holdings. The trading prices of a mutual fund's shares can 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 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 more frequently for actively managed ETFs. However, certain inefficiencies can 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. While clients and investors may be able to sell their ETF shares on an exchange, ETFs generally only redeems shares directly from shareholders when aggregated as creation units (usually 50,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

## Item 9 Disciplinary Information

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Since GGI's inception in 1982, including the present year, Greenwood Gearhart Inc. (i) has **not** had a financial condition that is reasonably likely to impair the ability of GGI to meet contractual commitments to Clients; and (ii) has **not** been subject to a disciplinary event that is material to an evaluation of GGI's integrity or ability to meet contractual commitments to Clients.

### **Business Standards**

The educational and experiential credentials required by Greenwood Gearhart Inc. shall be adequate for their level of responsibility, including, but not limited to: (i) a bachelor's degree from an accredited academic institution or equivalent education or work experience; and (ii) three years' experience in financial analysis defined as spending substantial portion of time collecting, evaluating, or applying financial, economic and statistical data, as appropriate, in the investment decision-making process.

## Item 10 Other Financial Industry Activities and Affiliations

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**Natural Capital Management, LLC.** Certain of GGI's individual principals maintain an ownership interest in Natural Capital Management, LLC ("Natural Capital") which serves as investment manager to various private investment funds and other investment entities and affiliates. Certain of GGI's individual principals also maintain ownership interests in the funds and affiliates for which Natural Capital Management, LLC serves as investment manager.

**Other Private Investments / Private Investment Funds.** In certain private investment arrangements, GGI will be named the manager or co-manager of the investment, and GGI will use the invested funds to invest in one or more private deals. In these cases, certain of GGI's individual principals or employees may also be members/investors in the private investment. Less frequently, certain of GGI's individual principals will be named manager or co-manager of the investment. GGI, on a non-discretionary basis, may recommend that qualified clients consider allocating a portion of their investment assets to these private investments. The nature of the relationship between GGI, GGI's individual principals, and the private investment will be disclosed to the client prior to investment. The terms and conditions for participating in the private investment, including management and incentive fees, conflicts of interest, and risk factors, are set forth in each investment's offering or operating documents.

GGI generally collects an asset-based fee from the client with respect to the value of a client's investment in the private investment. Please see Item 5 above for further details. In addition to this asset-based fee, the manager(s) of the investments are also entitled to receive incentive compensation in the form of carried interest. This compensation structure presents a conflict of interest, as GGI will typically be entitled to its standard asset-based fee for private investments (unless otherwise agreed), and GGI and/or certain related persons of GGI will share in the incentive compensation generated by the investments, either through

their ownership interest in Natural Capital or their status as a manager of the private investment, as applicable. No client is under any obligation to become an investor in any private investment recommended by GGI or any related person of GGI.

Private investments involve various risk factors, including, but not limited to, potential for complete loss of principal, liquidity constraints, and lack of transparency, as more fully discussed in each private investment's offering documents, copies of which are provided to prospective investors prior to initial investment. Investors in private companies must fully understand and accept the compensation structure, risks, and potential negative consequences pertaining to such an investment prior to committing funds.

**Third-Party Tax and Accounting Firms.** GGI may recommend the services of one or more unaffiliated certified public accounting firms, for tax and accounting services. All such services shall be performed by the engaged third-party, in its separate professional capacity, independent of GGI, and without the supervision or oversight of GGI. Clients may be asked to authorize GGI to share personal information with the third-party accounting firm in an effort to ease coordination between the firms. Any fees incurred by the client for accounting and tax services are separate from and in addition to those fees charged by GGI. However, in no event will GGI share in accounting and tax service fees, and GGI does not receive compensation from any third-party accounting firms for client referrals. It is expected that, as a result of this relationship, GGI-recommended third-party accounting firms will recommend GGI to certain of their clients for investment advisory services. No client of GGI is required to engage a recommended third-party accounting firm for accounting and/or tax services, and, similarly, accounting firm clients are under no obligation to engage the services of GGI. If a client engages a recommended third-party accounting firm, and a dispute arises, the client agrees to seek recourse exclusively from the subject accounting firm.

**Third-Party Law Firms.** GGI may recommend the services of one or more unaffiliated law firms, for estate planning, business, tax, and other general legal services. All such services shall be performed by the engaged third-party, in its separate professional capacity, independent of GGI, and without the supervision or oversight of GGI. Clients may be asked to authorize GGI to share personal information with the third-party law firm in an effort to ease coordination between the firms. Any fees incurred by the client for estate planning or legal services are separate from and in addition to those fees charged by GGI. However, in no event will GGI share in any fees received by third-party law firms for such legal services and third-party firms do not compensate GGI for client referrals. It is expected that, as a result of this relationship, GGI recommended third-party law firms will recommend GGI to certain of its clients for investment advisory services. No client of GGI is required to engage a recommended third-party law firm for legal services and, similarly, law firm clients are under no obligation to engage the services of GGI. If a client engages a recommended third-party law firm and a dispute arises, the client agrees to seek recourse exclusively from the subject law firm.

**GGI's Chief Compliance Officer, Lisa A. Brown, remains available to address any questions that a Client or prospective Client may have regarding the above conflicts of interest.**

## Item 11 Code of Ethics, Participation or Interest in Client Transaction and Personal Trading

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GGI maintains an investment policy relative to personal securities transactions. This investment policy is part of GGI's Code of Ethics, which serves to establish a standard of business conduct for all of GGI's representatives that is based upon fundamental principles of openness, integrity, honesty, and trust, a copy of which is available upon request.

In accordance with Section 204A of the Investment Advisers Act of 1940, GGI also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by GGI or any person associated with GGI. Certain of GGI's associated persons serve on the boards of directors of publicly-traded companies and, in such roles, may come into possession of material nonpublic information. GGI has implemented administrative, technical, and procedural safeguards to restrict trading in such securities until GGI determines that such transactions would not violate its Code of Ethics provisions on the misuse of material nonpublic information.

Except as discussed in Item 10 above, neither GGI nor any related person of GGI, recommends, buys, or sells for client accounts, securities in which GGI or any related person of GGI has a material financial interest.

GGI and/or representatives of GGI may buy and sell securities that are also recommended to clients. This practice may create a situation where GGI and/or representatives of GGI are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e. a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if GGI did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading "front-running" (i.e. personal trades executed prior to those of GGI's clients), and other potentially abusive practices.

GGI has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of GGI's "Access Persons." GGI's securities transaction policy requires that Access Persons of GGI must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person. Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date GGI selects. Furthermore, GGI requires all employees and owners to report equity transactions on a quarterly basis.

GGI and/or representatives of GGI may buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where GGI and/or representatives of GGI are in a position to materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, GGI has a personal securities transaction policy in place to monitor the personal securities transactions and securities holdings of each of GGI's Access Persons.

## Item 12 Brokerage Practices

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In the event that the Client requests that GGI recommend a broker-dealer/custodian for execution and/or custodial services, GGI generally recommends that investment advisory accounts be maintained at *Schwab*, the Client will be required to enter into a formal *Investment Advisory Agreement* with GGI setting forth the terms and conditions under which GGI shall advise on the Client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

**The Custodian and Brokers We Use** – Generally, GGI does not maintain custody of Client assets (although we may be deemed to have custody of Client assets if given authority to withdraw assets from the Client's account (see Item 15 Custody, below). Client assets must be maintained in an account at a "qualified custodian," generally a broker-dealer or bank. GGI recommends that clients use Charles Schwab & Co., Inc. (Schwab), a FINRA-registered broker-dealer, member SIPC, as the qualified custodian. GGI is independently owned and operated and not affiliated with Schwab. Schwab will hold Client assets in a brokerage account and buy and sell securities when GGI instructs them to. While GGI recommends that the Client uses Schwab

as custodian/broker, the Client will decide whether to do so and open an account with Schwab by entering into an account agreement directly with Schwab. GGI does not open the account for the Client but may assist in the paperwork process.

**How We Select Brokers/Custodians to Recommend** – We seek to recommend a custodian/broker who will hold Client assets and execute transactions on terms that are overall most advantageous when compared to other available providers and their services.

Factors that GGI considers in recommending Schwab (or any other broker-dealer/custodian to Clients) include:

- Schwab’s historical relationship with GGI
- Financial strength and reputation of the institution
- Service GGI receives as a firm or on behalf of the Client
- Combination of transaction execution services along with asset custody services (generally without a separate fee for custody)
- Capability to execute, clear and settle trades (buy and sell securities in the Client’s account)
- Capabilities to facilitate transfers and payments to and from accounts (wire transfers, check requests, bill payment, etc.)
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate them

Although the commissions and/or transaction fees paid by GGI’s Clients shall comply with GGI’s duty to obtain best execution, a Client may pay a commission or transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where determines, in good faith, that the commission/transaction fee is reasonable. 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 broker-dealer’s services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although GGI will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for Client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, GGI’s investment advisory fee.

In addition to commissions, Schwab charges the Client a flat dollar amount as a “prime broker” or “trade away” fee for each trade that GGI has executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into the Client’s Schwab account. These fees are in addition to the commissions or other compensation the Client pays the executing broker-dealer.

**Non-Soft Dollar Research and Additional Benefits** – Although not a material consideration when determining whether to recommend that a Client utilize the services of a particular broker-dealer/custodian, GGI may receive from Schwab (or another broker-dealer/custodian, investment manager, platform or fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist GGI to better monitor and service Client accounts maintained at such institutions. Included within the support services that may be obtained by GGI may be investment-related research, pricing information and market data, software and other technology that provide access to Client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support-including Client events, computer hardware and/or software and/or other products used by GGI in furtherance of its investment advisory business operations.

As indicated above, certain of the support services and/or products that may be received may assist GGI in managing and administering Client accounts. Others do not directly provide such assistance, but rather assist GGI to manage and further develop its business enterprise.

GGI’s Clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by GGI to Schwab or any other any entity to invest any specific amount or percentage of Client assets in any specific mutual funds, securities or other investment products as result of the above arrangement. **GGI’s Chief Compliance Officer, Lisa A. Brown, remains available to address any questions that a Client or prospective Client may have regarding the above arrangements and any corresponding perceived conflict of interest such arrangements may create.**

**Directed Brokerage** – GGI recommends that its Clients utilize the brokerage and custodial services provided by Schwab. GGI does not generally accept directed brokerage arrangements (when a Client requires that account transactions be effected through

a specific broker-dealer). In such Client directed arrangements, the Client will negotiate terms and arrangements for their account with that broker-dealer, and GGI will not seek better execution services or prices from other broker-dealers or be able to "batch" the Client's transactions for execution through other broker-dealers with orders for other accounts managed by GGI. As a result, a Client may pay higher commissions or other transaction costs, or greater spreads, or receive less favorable net prices on transactions for the account than would otherwise be the case. **Please Note:** In the event that the Client directs GGI to effect securities transactions for the Client's accounts through a specific broker-dealer, the Client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the Client determined to effect account transactions through alternative clearing arrangements that may be available through GGI. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

**Order Aggregation** – Transactions for each Client account generally will be effected independently, unless GGI decides to purchase or sell the same securities for several Clients at approximately the same time. GGI may (but is not obligated to) combine or "bunch" such orders to obtain better price execution, to negotiate more favorable commission rates, or to allocate equitably among GGI'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 be averaged as to price and will be allocated among Clients in proportion to the purchase and sale orders placed for each Client account. Orders may be combined or bunched multiple times per day (i.e. morning and afternoon) based on market conditions and practicality. In some instances, a client may request funds from an account that requires trading after other client orders have been combined or bunched for the day. In these cases, that specific client's orders may not be combined or bunched for trading purposes. GGI shall not receive any additional compensation or remuneration as a result of such aggregation.

In certain instances, limited daily trading volume of a particular security may not allow for allocation to all clients for whom the security is appropriate. In these cases, GGI will allocate orders utilizing a random prioritization of clients. In situations where a fixed income order may be partially filled, GGI may compensate for such partial fill by adjusting downward the per client allocation factoring in minimum lot size, cash available, and appropriateness of the investment.

## Item 13    Review of Accounts

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Under supervisory management, GGI shall monitor and review the investment portfolio of the Client. The review process may be conducted on a daily, weekly, monthly, or quarterly basis as needed and shall include, but shall not be limited to, the following functions: (i) for specific securities which have been evaluated for investment value; (ii) for overall composition, diversification and asset-allocation structure; and (iii) for Client objectives and portfolio policy recommendations. Employees registered as Investment Adviser Representatives are responsible for reviewing portfolios, recommending security investments, and placing trade orders. The Investment Adviser Principal, G. Brock Gearhart, CFA, as well as the Managing Director of Investment Management, Johann Komander, are responsible for decisions on all recommendations and directs the investment decision-making process.

GGI will, either by mail or electronically, provide each Client under supervisory management a quarterly report as of the end of March, June, September, and December. The nature of this report will be to recap portfolio activity for the period and provide performance results.

The Custodian will mail monthly statements directly to each Client, unless the Client directs the Custodian to send statements electronically. It is the Client's responsibility to review monthly statements and quarterly reports.

## Item 14 Client Referrals and Other Compensation

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GGI, under prior agreement, received Client referrals from Charles Schwab & Company, Inc. (“Schwab”) via the Schwab Advisor Network (“the Service”). **GGI no longer participates in the Service**, but under contractual agreement continues to pay referral fees to Schwab on any existing accounts obtained under the prior agreement. Schwab is a broker-dealer independent of and unaffiliated with GGI. Schwab does not supervise GGI and has no responsibility for GGI’s management of Clients’ portfolios or other advice or services. GGI’s prior participation in the Service may raise potential conflicts of interest described below.

GGI pays Schwab a Participation Fee on all previously referred Clients’ accounts. The Participation Fee paid by GGI is a percentage of the fees the Client owes to GGI. The Participation Fee is paid by GGI and not by the Client, and GGI has agreed not to charge Clients referred through the Service any fees or costs greater than fees or costs GGI charges Clients with similar portfolios that were not referred through the Service.

As referenced in Item 12 above, GGI may receive from Schwab, without cost (and/or at a discount), support services and/or products. GGI’s Clients do not pay more for investment transactions effected and/or assets maintained at Schwab as a result of this arrangement. There is no corresponding commitment made by GGI to Schwab or any other entity to invest any specific amount or percentage of Client assets in any specific mutual funds, securities or other investment products as a result of the above arrangements. We receive an economic benefit from Schwab in the form of the support products and services it makes available to us and other independent investment advisors that have their clients maintain accounts at Schwab. These products and services, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices). The availability to us of Schwab’s products and services is not based on us giving particular investment advice, such as buying particular securities for our clients.

**GGI’s Chief Compliance Officer, Lisa A. Brown, remains available to address any questions that a client or prospective Client may have regarding the above arrangements and any corresponding perceived conflict of interest such arrangements may create.**

## Item 15 Custody

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Generally, GGI shall not be the Custodian on Client accounts. GGI shall not have the financial responsibility for the safekeeping of portfolio assets and shall not be responsible for the proper and efficient receipt and allocation of income items relating thereto. GGI shall not be responsible for legal, accounting and/or auditing services of any kind.

For accounts of GGI’s Clients maintained in custody at Schwab, Schwab will not charge the Client separately for custody, but will receive compensation from GGI’s Clients in the form of commissions or other transaction-related compensation on securities trades executed through Schwab. Schwab also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades executed through broker-dealers other than Schwab. GGI shall have the ability to have its advisory fee for each Client debited by the custodian (Schwab) on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from Schwab. **Please Note:** Schwab does not verify the accuracy of GGI’s advisory fee calculation.

Under government regulations, we are deemed to have custody of Client assets if authorized to instruct Schwab to deduct advisory fees directly from the client’s account. Schwab maintains actual custody of Client assets. The Client will receive account statements directly from Schwab at least quarterly. Statements will be sent to the email or postal mailing address that the Client provided to Schwab. Clients should carefully review those statements promptly when received. GGI also urges Clients to compare Schwab’s account statements to the Quarterly Portfolio Review reports distributed by GGI.

In certain instances, GGI may engaged to provide Financial Concierge services for clients, which practice requires disclosure at ADV Part 1, Item 9 and is subject to an annual surprise CPA examination in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940. In other instances, GGI and/or its principals or employees are deemed to have custody of private investment assets. These private investments are subject to annual audit by an independent certified public accounting

firm that is a member of the Public Company Accounting Oversight board. Audited financial statements are delivered annually to all private investment limited partners (or equivalents) within 120 days of the vehicle's fiscal year end.

GGI provides other services on behalf of its clients that require disclosure at ADV Part 1, Item 9. In particular, certain clients have signed asset transfer authorizations that permit the qualified custodian to rely upon instructions from GGI to transfer client funds to "third parties." In accordance with the guidance provided in the SEC's Staff's February 21, 2017 Investment Adviser Association No-Action Letter, the affected accounts are not subjected to an annual surprise CPA examination.

**GGI's Chief Compliance Officer, Lisa A. Brown, remains available to address any questions that a client or prospective client may have regarding custody-related issues.**

## Item 16 Investment Discretion

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GGI shall have full power to supervise and direct the investment of the Account, making and implementing investment decisions, all without prior consultation with the Client, in accordance with such objectives as the Client may, from time to time, have furnished to GGI in writing, and subject only to such written limitations as the Client may impose.

## Item 17 Voting Client Securities

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GGI (unless provided otherwise in writing) shall be responsible for directing the manner in which proxies solicited by issuers of securities beneficially owned by the Client shall be voted. Institutional Shareholder Services ("ISS") will provide information and analysis to assist in making the appropriate vote determinations. In addition, class actions involving securities beneficially owned by the client will generally be handled by Chicago Clearing Corporation ("CCC"). In exchange, CCC retains seventeen-and one-half percent (17.5%) of each client's pro rata share of proceeds collected in connection with class action lawsuits. Records are available for Client review upon request.

## Item 18 Financial Information

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Greenwood Gearhart Inc. has no additional financial circumstances to report. Under no circumstances does GGI require or solicit payment of fees in excess of \$1,200 per Client more than six months in advance of services rendered. Therefore, GGI is not required to include a financial statement. Greenwood Gearhart Inc. has not been the subject of a bankruptcy petition at any time during the past ten years.

### **Any Questions?**

**GGI's Chief Compliance Officer, Lisa A. Brown, remains available to address any questions.**