

The Capital Advisory Group Advisory Services, LLC

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February 14, 2024

Form ADV Part 2A Brochure

The Capital Advisory Group Advisory Services, LLC is an investment adviser registered with the Securities and Exchange Commission (hereinafter "SEC"). An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of The Capital Advisory Group Advisory Services, LLC. If you have any questions about the contents of this brochure, please contact us at (952) 831-8243. 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 The Capital Advisory Group Advisory Services, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Material Changes - Item 2

The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On February 14, 2024, we submitted our annual updating amendment filing for fiscal year 2023. We have no material changes to report.

We review and update our brochure at least annually to make sure that it remains current. If you have questions or if you would like a current copy of our brochure at any time, free of charge, please contact us at (952) 831-8243.

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Advisory Business - Item 4

Description of Services and Fees

The Capital Advisory Group Advisory Services, LLC (hereinafter “Capital Advisory Group”) is a registered investment adviser based in Bloomington, Minnesota. We are organized as a limited liability company under the laws of the State of Minnesota. We have been providing investment advisory services since 2008. Brett Machtig is the principal owner of our firm. Currently, we offer the following investment advisory services, which are personalized to each individual client:

- Portfolio Management Services
- Financial Planning Services
- Pension Consulting Services

The following paragraphs describe our services and fees. Please refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. Also, you may see the term Associated Person throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. These persons are properly authorized and/or registered as investment adviser representatives in all required jurisdictions.

Portfolio Management Services

We offer discretionary portfolio management services to our clients. Our investment advice is tailored to meet our clients’ needs and investment objectives. If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information (the “suitability information”) at the beginning of our advisory relationship. We will use the suitability information we gather from our meeting(s) with you to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we may customize an investment portfolio for you in accordance with your risk tolerance and investing objectives. We may also invest your assets using a predefined strategy, or we may invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio’s performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow our firm to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the investment advisory agreement you sign with our firm, a limited power of attorney, or trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased for your account) by providing our firm with your restrictions and guidelines in writing.

As part of our portfolio management services, we may use one or more sub-advisers to manage a portion of your account on a discretionary basis. The sub-adviser(s) may use one or more of their model portfolios to manage your account. We will regularly monitor the performance of your accounts managed by sub-adviser(s), and may hire and fire any sub-adviser without your prior approval. Our ability to hire and fire sub-advisers on your behalf is based on you granting our firm discretionary authority. We will pay a portion of our advisory fee to the sub-adviser(s) we use; however, you will not pay our firm a higher advisory fee as a result of any sub-advisory relationships.

Financial Planning Services

We offer broad-based, modular, and consultative financial planning services to our clients and prospective clients. Financial planning will typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs. If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives, we will develop targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on your financial situation at the time we present the plan to you, and on the financial information you provide to our firm. You must promptly notify our firm if your financial situation, goals, objectives, or needs change.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you may act on our recommendations by placing securities transactions with any brokerage firm.

Pension Consulting Services

We offer pension consulting services to employee benefit plans and their fiduciaries based upon the needs of the plan and the services requested by the plan sponsor or named fiduciary. In general, these services may include any one or all of the following:

- a) *Comprehensive Marketplace Search*- We will search the marketplace and provide quotations from leading retirement plan service providers.
- b) *Service Provider Analysis*- We will analyze data regarding fees and services of responding retirement plan service providers, including plan features and service standards.
- c) *Recommendations* – We will make recommendations regarding plan service provider selection and investment lineup based upon study results and your goals and objectives.
- d) *Development of Investment Policy Statement* – We will assist you in developing a written investment policy statement that defines the plan's purpose and provides a clear understanding concerning the investment policies and objectives of the plan assets.
- e) *Existing Plan Review* – A plan review is a comprehensive exam of major components of your retirement plan in order to identify strengths and weaknesses. The review can cover such areas as overall plan structure, related costs, and plan documentation.

- f) *Communication and Education* – We will help you coordinate and deliver meaningful information regarding the retirement plan to its participants.

These pension consulting services will generally be non-discretionary and advisory in nature. The ultimate decision to act on behalf of the plan shall remain with the plan sponsor or other named fiduciary.

We may also provide additional types of pension consulting services to plans on an individually negotiated basis. All services, whether discussed above or customized for the plan based upon requirements from the plan fiduciaries (which may include additional plan-level or participant-level services) shall be detailed in a written agreement and be consistent with the parameters set forth in the plan documents. Our advisory fees for these customized services will be negotiated with the plan sponsor or named fiduciary on a case-by-case basis.

All client plans are regulated under the Employee Retirement Income Securities Act (“ERISA”). Capital Advisory Group will provide consulting services to the plan fiduciaries as described above. Typically, the named plan fiduciary must make the ultimate decision as to retaining the services of such investment advisers as our firm recommends. The plan fiduciary is free to seek independent advice about the appropriateness of any recommended services for the plan.

Seminars

From time-to-time, we may conduct workshop seminars. Seminars may address the following topics: asset management, technical portfolio analysis, investment products, insurance products, retirement planning, and general educational topics, among others. The seminars are provided for general information purposes only and are not meant to constitute specific investment advice. Attendees are informed that they are not expected to act on any of the information made available in the seminar. Further, they are instructed to contact a financial services professional to discuss the suitability of instituting any of the strategies and/or the inclusion of any investment product discussed in the seminar prior to implementation in their portfolio.

Estate Plan Settlement Services

We offer an estate plan settlement service that assist heirs in the transition of assets in accordance with court direction and wills. This service also includes ongoing consulting services to heirs.

Types of Investments

We primarily offer advice on exchange listed securities, over-the-counter securities, foreign securities, warrants, corporate debt securities, commercial paper, certificates of deposits, variable life insurance, variable annuities, municipal securities, investment company securities, United States government securities, options contracts on securities and commodities, and interest in partnerships investing in real estate, oil and gas interests and leasing contracts. We may also recommend employing cash positions as a possible hedge against market movement which may adversely affect the portfolio.

Additionally, we may advise you on any type of investment that we deem appropriate based on your stated goals and objectives. We may also provide advice on any type of investment held in your portfolio at the inception of our advisory relationship.

You may request that we refrain from investing in particular securities or certain types of securities. You must provide these restrictions to our firm in writing.

Assets Under Management

As of December 31, 2023, we manage approximately \$277,106,729 in client assets on a discretionary basis, and approximately \$0 in client assets on a non-discretionary basis.

Fees and Compensation - Item 5

Portfolio Management Services Fees

Our fee for portfolio management services is based on a percentage of your assets we manage and is set forth in the following fee schedule:

Assets Under Management	Annual Fee
\$0 - \$100,000	2.00%
\$100,000 - \$500,000	1.50%
\$500,001 - \$1,000,000	1.25%
\$1,000,001 - \$5,000,000	1.00%
Over \$5,000,000	0.75%

Our annual portfolio management fee is billed and payable in advance or in arrears on a monthly or quarterly basis. Fees that are payable in advance are based on the value of your account on the first day of the billing period. Fees that are payable in arrears are based on the total value of your account on the last day of the billing period. If the portfolio management agreement is executed at any time other than the first day of a calendar pay period, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the month or quarter for which you are a client. Where a monthly billing arrangement is selected, fees will be calculated based on the following formula: Annual Fee divided by 12 will equal monthly fee. Where a quarterly billing arrangement is selected, fees will be calculated based on the following formula: Annual Fee divided by 4 will equal quarterly fee. Our advisory fee is negotiable, depending on individual client circumstances.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will send you an invoice for the payment of our advisory fee, or we will deduct our fee directly from your account through the qualified custodian holding your funds and securities. The qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account. You should review all statements for accuracy. We will also receive a duplicate copy of your account statements. We encourage you to reconcile our invoices with the statement(s) you receive from the qualified custodian. If you find any inconsistent

information between our invoice and the statement(s) you receive from the qualified custodian, please call our main office number located on the cover page of this brochure.

You may terminate the portfolio management agreement upon written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the quarter for which you are a client.

Financial Planning Fees

We utilize the following financial planning fee schedules, which are subject to negotiation. Dependent upon the nature, complexity and time involved in providing the client with the requested services our fees are as follows:

Fixed Fees: Capital Advisory Group will charge a fixed fee that ranges between \$500.00 and \$25,000.00, for broad based planning services. In limited circumstances, the total cost could potentially exceed \$25,000.00. In such cases, Capital Advisory Group will notify the client and may request that the client pay an additional fee.

Hourly Fees: Capital Advisory Group charges an hourly fee of up to \$350.00 for clients who request specific services such as a modular plan or hourly consulting.

When the scope of the financial planning services has been agreed upon, a determination will be made as to the applicable fee. The final fee shall be directly dependent upon the facts and circumstances of the client's financial situation and the complexity of the financial plan or service requested. An estimate of the total cost will be determined at the start of the advisory relationship. Fees are payable as invoiced.

You may terminate the financial planning agreement by providing written notice to our firm. You will incur a pro rata charge for services rendered prior to the termination of the agreement.

Pension Consulting Services Fees

Pension consulting fees, and fee-paying arrangements, are negotiated on a case-by-case basis dependent on the scope of the contracted services, and shall be clearly set forth in the advisory service agreement. Generally, the fee for pension consulting services is based upon the following negotiable annualized fee schedule:

Assets Under Management	Annual Fee*
\$0 - \$500,000	1.25%
\$500,001 - \$1,000,000	1.00%
\$1,000,001 - \$5,000,000	0.50%
Over \$5,000,000	0.25%

The pension consulting fee is billed and payable in advance or in arrears on a monthly or quarterly basis. Fees that are payable in advance are based on the value of your account on the first day of the billing period. Fees that are payable in arrears are based on the total value of your account on the last day of the billing period. If the pension consulting agreement is executed at any time other than the first day of a calendar pay period, our fees will apply on a pro rata basis, which means that the

advisory fee is payable in proportion to the number of days in the month or quarter for which you are a client. Our advisory fee is negotiable, depending on individual client circumstances.

Alternatively, the Firm may charge a fixed fee, which is generally payable in arrears on completion of the contracted services. The exact fee and payment terms will be clearly set forth in the agreement for services signed by the client and the Firm.

Either party to the pension consulting agreement may terminate the agreement upon a 30 day written notice to the other party. The pension consulting fees will be prorated for the period in which the termination notice is given and any unearned fees (less any reasonable administrative expenses) will be refunded to the client.

Estate Plan Settlement Services Fees

Estate Plan Settlement Services are offered for a fee of 1% of the total valuation of the estate, subject to a \$1000 minimum. This fee is either deducted from the estate account in advance of the start of service or invoiced directly to the account.

Seminar fees

We charge a fixed fee for participation in our seminars. Our seminar participation fees directly depend on the length and the scope of topics covered in the seminar. We will disclose the fees to all participants prior to the start of the seminar and will require payment of all fees immediately before the start of the seminar.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses.

You will also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through which your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian.

Further, the custodian may charge separate mailing fees, paper statement fees, ticket charges, retirement account annual fees, fees for holding illiquid securities/alternative investments, account termination fees, and fees to remove worthless or delisted company securities. These fees are listed in the account opening agreement executed by the client with the custodian.

To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, please refer to the "Brokerage Practices" section of this Brochure.

As noted above, we assess an advisory fee that ranges from 0.25% and 2.00% of the managed assets for such portfolio management services.

Negotiability of Fees: We allow Associated Persons servicing the account to negotiate the exact investment management fees within the range disclosed in our Form ADV Part 2A Brochure. As a result, the Associated Person servicing your account may charge more or less for the same service than another Associated Person of our firm. Further, our annual investment management fee may be higher than that charged by other investment advisors offering similar services/programs.

Billing on Cash Positions: The firm treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed in writing, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for purposes of calculating the firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), the firm may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, the firm's advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

Billing on Margin: Unless otherwise agreed in writing, the gross amount of assets in the client's account, including margin balances, are included as part of assets under management for purposes of calculating the firm's advisory fee. Clients should note that this practice will increase total assets under management used to calculate advisory fees which will in turn increase the amount of fees collected by our firm. This practice creates a conflict of interest in that our firm has an incentive to use margin in order to increase the amount of billable assets. At all times, the firm and its Associated Persons strive to uphold their fiduciary duty of fair dealing with clients. Clients are free to restrict the use of margin by our firm. However, clients should note that any restriction on the use of margin may negatively impact an account's performance in a rising market.

Periods of Portfolio Inactivity: The firm has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the firm 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, fund manager tenure, style drift, 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 the firm determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, the firm's annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by the firm will be profitable or equal any specific performance level(s).

IRA Rollover Considerations

As a normal extension of financial advice, we provide education or recommendations related to the rollover of an employer-sponsored retirement plan. A plan participant leaving employment has several options. Each choice offers advantages and disadvantages, depending on desired investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and the investor's unique financial needs and retirement plans. The complexity of these choices may lead an investor to seek assistance from us.

An Associated Person who recommends an investor roll over plan assets into an Individual Retirement Account ("IRA") may earn an asset-based fee as a result, but no compensation if assets

are retained in the plan. Thus, we have an economic incentive to encourage an investor to roll plan assets into an IRA. In most cases, fees and expenses will increase to the investor as a result because the above-described fees will apply to assets rolled over to an IRA and outlined ongoing services will be extended to these assets.

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We have to act in your best interests and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests.

Compensation for the Sale of Securities or Other Investment Products

Associated Persons providing investment advice on behalf of our firm are also licensed as registered representatives and/or investment adviser representatives with United Planners Financial Services, ("United Planners"), a securities broker-dealer and registered investment adviser, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. In their capacity as registered representatives, these persons will receive commission-based compensation in connection with the purchase and sale of securities, including 12b-1 fees for the sale of investment company products. Compensation earned by these persons in their various capacities at United Planners is separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are registered representatives have an incentive to effect securities transactions for the purpose of generating commissions rather than solely based on your needs. We will recommend no-load Mutual Funds in addition to other products as part of your portfolio. However, you are under no obligation, contractually or otherwise, to purchase securities products through any person affiliated with our firm.

Associated Persons providing investment advice on behalf of our firm may recommend that you purchase variable annuities to be included in your investment portfolio(s). If the variable annuity is sold through United Planners, such persons will earn commissions on the sale of the variable annuities. We will not include these annuity positions in the total value used for our advisory billing/fee computation. Commission paying annuities will be purchased for your account only after you receive a prospectus disclosing the terms of the annuity. You are under no obligation, contractually or otherwise, to purchase variable annuities through any person affiliated with our firm.

Associated Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to our clients. Insurance commissions earned by these persons are separate from and in addition to our advisory fees. The sale of insurance instruments and other commissionable products offered by Associated Persons are intended to complement our advisory services. However, this practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for the purpose of generating commissions rather than solely based on your needs. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our

client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement. Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use the insurance brokerage firm and agent of their choice.

Where fixed annuities are sold, clients should also note that the annuity sales result in substantial up-front commissions and ongoing trails based on the annuity's total value. In addition, many annuities contain surrender charges and/or restrictions on access to your funds. Payments and withdrawals can have tax consequences. Optional lifetime income benefit riders are used to calculate lifetime payments only and are not available for cash surrender or in a death benefit unless specified in the annuity contract. In some annuity products, fees can apply when using an income rider. Annuity guarantees are based on the financial strength and claims-paying ability of the issuing insurance company. We urge our clients to read all insurance contract disclosures carefully before making a purchase decision. Rates and returns mentioned on any program presented are subject to change without notice. Insurance products are subject to fees and additional expenses.

Any material conflicts of interest between you and our firm, or our employees are disclosed in this Disclosure Brochure. If at any time, additional material conflicts of interest develop, we will provide you with written notification of the material conflicts of interest or an updated Disclosure Brochure.

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

We do not accept performance-based fees or participate in side-by-side management. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Our fees are calculated as described in the *Advisory Business* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account.

Types of Clients - Item 7

We offer investment advisory services to individuals, pension and profit-sharing plans and participants, trusts, estates, charitable organizations, corporations, and other business entities.

In general, we require a minimum of \$100,000 to open and maintain an advisory account. At our discretion, we may waive this requirement if, for example, the client appears to have significant potential for increasing assets under management, it is a family or related account, if the smaller account is tied to a larger client relationship or the account was referred to us by an existing client.

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

Our Methods of Analysis and Investment Strategies

The following are different methods of analysis that we may use when providing you with investment advice:

- Charting Analysis – involves the gathering and processing of price and volume information for a particular security. This price and volume information is analyzed using mathematical equations. The resulting data is then applied to graphing charts, which is used to predict future price movements based on price patterns and trends.
- Fundamental Analysis – involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company's industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.
- Technical Analysis – involves studying past price patterns and trends in the financial markets to predict the direction of both the overall market and specific stocks.
- Cyclical Analysis – a type of technical analysis that involves evaluating recurring price patterns and trends.

We may use one or more of the following investment strategies when advising you on investments:

- Long Term Purchases – securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.
- Short Term Purchases – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short term price fluctuations.
- Short Sales – a securities transaction in which an investor sells securities he or she borrowed in anticipation of a price decline. The investor is then required to return an equal number of shares at some point in the future. A short seller will profit if the stock goes down in price.
- Margin Transactions – a securities transaction in which an investor borrows money to purchase a security, in which case the security serves as collateral on the loan.
- Options Trading/Writing: a securities transaction that involves buying or selling (writing) an option. If you write an option, and the buyer exercises the option, you are obligated to purchase or deliver a specified number of shares at a specified price at the expiration of the option regardless of the market value of the security at expiration of the option. Buying an option gives you the right to purchase or sell a specified number of shares at a specified price until the date of expiration of the option regardless of the market value of the security at expiration of the option.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial horizon, financial information, liquidity needs, and other

various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Recommendation of Particular Types of Securities

As disclosed under the “Advisory Business” section in this Brochure, we recommend all types of securities and we do not necessarily recommend one particular type of security over another. Since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

Certificates of deposit are generally the safest type of investment since they are insured by the federal government. However, because the returns are generally very low, it’s possible for inflation to outpace the return. Likewise, US Government securities are backed by the full faith and credit of the United States government but it’s also possible for the rate of inflation to exceed the returns.

Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that’s used to pay the dividends; when the bond is set to mature; and, whether or not the bond can be “called” prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same dividend.

There are numerous ways of measuring the risk of equity securities (also known simply as “equities” or “stock”). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not limited to: the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, more well-established companies (“large cap”) tend to be safer than smaller start-up companies (“small cap”) but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Mutual funds and exchange traded funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (e.g., equities) rather than balancing the fund with different types of securities. Exchange traded funds differ from mutual funds since they can be bought and sold

throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are “no load” and charge no fee to buy into, or sell out of, the fund, other types of mutual funds do charge such fees which can also reduce returns. Mutual funds can also be “closed end” or “open end.” So-called “open end” mutual funds continue to allow in new investors indefinitely which can dilute other investors’ interests.

Corporate debt securities (or “bonds”) are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be “called” prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same dividend.

Options and warrants give an investor the right to buy or sell a stock at some future time at a set price. Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor’s risk can be unlimited. The main difference between warrants and call options is that warrants are issued and guaranteed by the issuing company, whereas options are traded on an exchange and are not issued by the company. Also, the lifetime of a warrant is often measured in years, while the lifetime of a typical option is measured in months.

A limited partnership is a financial affiliation that includes at least one general partner and a number of limited partners. The partnership invests in a venture, such as real estate development or oil exploration, for financial gain. The general partner does not usually invest any capital, but has management authority and unlimited liability. That is, the general partner runs the business and, in the event of bankruptcy, is responsible for all debts not paid or discharged. The limited partners have no management authority and confine their participation to their capital investment. That is, limited partners invest a certain amount of money and have nothing else to do with the business. However, their liability is limited to the amount of the investment. In the worst-case scenario for a limited partner, he/she loses what he/she invested. Profits are divided between general and limited partners according to an arrangement formed at the creation of the partnership.

Concentrated Position Risk: Certain Associated Persons may recommend that clients concentrate account assets in an industry or economic sector. In addition to the potential concentration of accounts in one or more sectors, certain accounts may, or may be advised to, hold concentrated positions in specific securities. Therefore, at times, an account may, or may be advised to, hold a relatively small number of securities positions, each representing a relatively large portion of assets in the account. As a result, the account will be subject to greater volatility than a more sector diversified portfolio. Investments in issuers within an industry or economic sector that experiences adverse economic, business, political conditions or other concerns will impact the value of such a portfolio more than if the portfolio’s investments were not so concentrated. A change in the value of a single investment within the portfolio will affect the overall value of the portfolio and will cause greater losses than it would in a portfolio that holds more diversified investments.

Preferred Securities Risk: Preferred Securities have similar characteristics to bonds in that preferred securities are designed to make fixed payments based on a percentage of their par value and are senior to common stock. Like bonds, the market value of preferred securities is sensitive to changes

in interest rates as well as changes in issuer credit quality. Preferred securities, however, are junior to bonds with regard to the distribution of corporate earnings and liquidation in the event of bankruptcy. Preferred securities that are in the form of preferred stock also differ from bonds in that dividends on preferred stock must be declared by the issuer's board of directors, whereas interest payments on bonds generally do not require action by the issuer's board of directors, and bondholders generally have protections that preferred stockholders do not have, such as indentures that are designed to guarantee payments – subject to the credit quality of the issuer – with terms and conditions for the benefit of bondholders. In contrast preferred stocks generally pay dividends, not interest payments, which can be deferred or stopped in the event of credit stress without triggering bankruptcy or default. Another difference is that preferred dividends are paid from the issuer's after-tax profits, while bond interest is paid before taxes.

Inverse Funds: Inverse mutual funds and ETFs, which are sometimes referred to as "short" funds, seek to provide the opposite of the single-day performance of the index or benchmark they track. Inverse funds are often marketed as a way to profit from, or hedge exposure to, downward moving markets. Some inverse funds also use leverage, such that they seek to achieve a return that is a multiple of the opposite performance of the underlying index or benchmark (i.e., -200%, -300%). In addition to leverage, these funds may also use derivative instruments to accomplish their objectives. As such, inverse funds are highly volatile and provide the potential for significant losses.

Cybersecurity Risks: Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities, investment companies and other investment advisers in which we invest, which could result in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

Pandemic Risk: Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption. It is difficult to predict the long-term impact of such events because they are dependent on a variety of factors including the global response of regulators and governments to address and mitigate the worldwide effects of such events. Workforce reductions, travel restrictions, governmental responses and policies and macroeconomic factors will negatively impact investment returns.

Recommendation of Other Advisers: In the event we recommend a third-party investment adviser to manage all or a portion of your assets, we will advise you on how to allocate your assets among various classes of securities or third-party investment managers, programs, or managed model portfolios. As such, we will primarily rely on investment model portfolios and strategies developed by the third-party investment advisers and their portfolio managers. If there is a significant deviation in characteristics or performance from the stated strategy and/or benchmark, we may recommend changing models or replacing a third-party investment adviser. The primary risks associated with investing with a third party is that while a particular third party may have demonstrated a certain level of success in the past; it may not be able to replicate that success in future markets. In addition, as we do not control the underlying investments in third party model portfolios, there is also a risk that a third party may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. To mitigate this risk, we seek third parties with proven track records that have demonstrated a consistent level of performance and success over time. A third party's past performance is not a guarantee of future results and certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account. Please refer to the third-party investment adviser's advisory agreements, Form ADV Brochure, and associated disclosure documents for details on their specific investment strategies, methods of analysis, and associated risks.

Cryptocurrency Risk: Cryptocurrency (e.g., bitcoin and ether), often referred to as "virtual currency", "digital currency," or "digital assets," is designed to act as a medium of exchange. Cryptocurrency is an emerging asset class. There are thousands of cryptocurrencies, the most well-known of which is bitcoin. Certain of the firm's clients may have exposure to bitcoin or another cryptocurrency, directly or indirectly through an investment such as an ETF or other investment vehicles. Cryptocurrency operates without central authority or banks and is not backed by any government. Cryptocurrencies may experience very high volatility and related investment vehicles may be affected by such volatility. As a result of holding cryptocurrency, certain of the firm's clients may also trade at a significant premium or discount to NAV. Cryptocurrency is also not legal tender. Federal, state or foreign governments may restrict the use and exchange of cryptocurrency, and regulation in the U.S. is still developing. The market price of many cryptocurrencies, including bitcoin, has been subject to extreme fluctuations. If cryptocurrency markets continue to be subject to sharp fluctuations, investors may experience losses if the value of the client's investments decline. Similar to fiat currencies (i.e., a currency that is backed by a central bank or a national, supra-national or quasi-national organization), cryptocurrencies are susceptible to theft, loss and destruction. Cryptocurrency exchanges and other trading venues on which cryptocurrencies trade are relatively new and, in most cases, largely unregulated and may therefore be more exposed to fraud and failure than established, regulated exchanges for securities, derivatives and other currencies. The SEC has issued a public report stating U.S. federal securities laws require treating some digital assets as securities.

Cryptocurrency exchanges may stop operating or permanently shut down due to fraud, technical glitches, hackers or malware. Due to relatively recent launches, most cryptocurrencies have a limited trading history, making it difficult for investors to evaluate investments. Generally, cryptocurrency transactions are irreversible such that an improper transfer can only be undone by the receiver of the cryptocurrency agreeing to return the cryptocurrency to the original sender. Digital assets are highly dependent on their developers and there is no guarantee that development will continue or that

developers will not abandon a project with little or no notice. Third parties may assert intellectual property claims relating to the holding and transfer of digital assets, including cryptocurrencies, and their source code. Any threatened action that reduces confidence in a network's long-term ability to hold and transfer cryptocurrency may affect investments in cryptocurrencies.

Many significant aspects of the U.S. federal income tax treatment of investments in cryptocurrency are uncertain and an investment in cryptocurrency may produce income that is not treated as qualifying income for purposes of the income test applicable to regulated investment companies. Certain cryptocurrency investments may be treated as a grantor trust for U.S. federal income tax purposes, and an investment by the firm's clients in such a vehicle will generally be treated as a direct investment in cryptocurrency for tax purposes and "flow-through" to the underlying investors.

Environmental, Social, and Governance Investment Criteria Risk: If a portfolio is subject to certain environmental, social and governance (ESG) investment criteria it may avoid purchasing certain securities for ESG reasons when it is otherwise economically advantageous to purchase those securities, or may sell certain securities for ESG reasons when it is otherwise economically advantageous to hold those securities. In general, the application of the portfolio's ESG investment criteria may affect the portfolio's exposure to certain issuers, industries, sectors and geographic areas, which may affect the financial performance of the portfolio, positively or negatively, depending on whether these issuers, industries, sectors or geographic areas are in or out of favor. An adviser can vary materially from other advisers with respect to its methodology for constructing ESG portfolios or screens, including with respect to the factors and data that it collects and evaluates as part of its process. As a result, an adviser's ESG portfolio or screen may materially differ from or contradict the conclusions reached by other ESG advisers concerning the same issuers. Further, ESG criteria are dependent on data and are subject to the risk that such data reported by issuers or received from third-party sources may be subjective, or it may be objective in principle but not verified or reliable.

Risks Associated with Investing in Inverse and Leveraged Funds: Leveraged mutual funds and ETFs generally seek to deliver multiples of the daily performance of the index or benchmark that they track. Inverse mutual funds and ETFs generally seek to deliver the opposite of the daily performance of the index or benchmark that they track. Inverse funds often are marketed as a way for investors to profit from, or at least hedge their exposure to, downward-moving markets. Some Inverse funds are both inverse and leveraged, meaning that they seek a return that is a multiple of the inverse performance of the underlying index. To accomplish their objectives, leveraged and inverse funds use a range of investment strategies, including swaps, futures contracts, and other derivative instruments. Leveraged, inverse, and leveraged inverse funds are more volatile and riskier than traditional funds due to their exposure to leverage and derivatives, particularly total return swaps and futures. At times, we will recommend leveraged and/or inversed funds, which may amplify gains and losses.

Most leveraged funds are typically designed to achieve their desired exposure on a daily (in a few cases, monthly) basis, and reset their leverage daily. A "single day" is measured from the time the leveraged fund calculates its net asset value ("NAV") to the time of the leveraged fund's next NAV calculation. The return of the leveraged fund for periods longer than a single day will be the result of each day's returns compounded over the period. Due to the effect of this mathematical compounding, their performance over longer periods of time can differ significantly from the

performance (or inverse performance) of their underlying index or benchmark during the same period of time. For periods longer than a single day, the leveraged fund will lose money when the level of the Index is flat, and the leveraged fund may lose money even if the level of the Index rises. Longer holding periods, higher index volatility, and greater leverage all exacerbate the impact of compounding on an investor's returns. During periods of higher Index volatility, the volatility of the Index may affect the leveraged fund's return as much as or more than the return of the Index itself. Therefore, holding leveraged, inverse, and leveraged inverse funds for longer periods of time increases their risk due to the effects of compounding and the inherent difficulty in market timing. Leveraged funds are riskier than similarly benchmarked funds that do not use leverage. Non-traditional funds are highly volatile and not suitable for all investors. They provide the potential for significant losses.

Risks Associated with Investing in Buffer ETFs: Buffer ETFs are also known as defined-outcome ETFs since the ETF is designed to offer downside protection for a specified period of time. These ETFs are modeled after options-based structured notes, but are generally cheaper, and offer more liquidity. Buffer ETFs are designed to safeguard against market downturns by employing complex options strategies. Buffer ETFs typically charge higher management fees that are considerably more than the index funds whose performance they attempt to track. Additionally, because buffer funds own options, they do not receive dividends from their equity holdings. Both factors result in the underperformance of the Buffer ETF compared to the index they attempt to track. Clients should carefully read the prospectus for a buffer ETF to fully understand the cost structures, risks, and features of these complex products.

Structured Notes: Below are some specific risks related to the structured notes recommended by our firm:

- **Complexity:** Structured notes are complex financial instruments. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied by the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and/or fees. Structured notes may have complicated payoff structures that can make it difficult for clients to accurately assess their value, risk and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse-leveraged, which may result in larger returns or losses. Clients should carefully read the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with our firm.
- **Market risk.** Some structured notes provide for the repayment of principal at maturity, which is often referred to as "principal protection." This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in

equity or commodity prices, changes in interest rates or foreign exchange rates, and/or market volatility.

- *Issuance price and note value:* The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer's estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring, and/or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.
- *Liquidity:* The ability to trade or sell structured notes in a secondary market is often very limited, as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date or risk selling the note at a discount to its value at the time of sale.
- *Credit risk:* Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of us or the integrity of our management.

On September 15, 2015, Brett Machtig, Managing Member of the firm executed a Consent Order with the Minnesota Department of Commerce, agreeing to pay a fine in the amount of \$5,000 for failure to clearly explain payout options and features of a fixed annuity contract to a client; and for providing inaccurate information regarding his relationship with an attorney and accountant who were present during and participated in the sales process.

Other Financial Industry Activities or Affiliations - Item 10

Arrangements with Affiliated Entities

Mark Foreman, investment adviser representative with our firm is also President of Foreman & Airhart, an accounting firm. If you require accounting services, we may recommend that you use Foreman & Airhart. Our advisory services are separate and distinct from the compensation paid to Foreman & Airhart for their services.

Brett Machtig, Managing Member of Capital Advisory Group Advisory Services, LLC is the Founder and President of Machtig and Associates Insurance Services, LLC, a licensed insurance agency with the State of Minnesota.

Mr. Machtig is also the Managing Member of Capital Advisory Group, LLC a Minnesota limited liability company. Associated Persons of the firm who operate out of the Bloomington office pay a percentage of their compensation to Capital Advisory Group, LLC and this compensation is used to cover certain business expenses related to the firm's Bloomington office.

Other investment adviser representatives of our firm, including Roger Anderson and Todd Morris are licensed to sell insurance products of various types through Machtig and Associates Insurance Services, LLC, or other insurance agencies. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate from our advisory fees. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by insurance agents who are affiliated with our firm.

These affiliated firms are otherwise regulated by the professional organizations to which they belong and must comply with the rules of those organizations. These rules may prohibit paying or receiving referral fees to or from investment advisers that are not members of the same organization.

These referral arrangements we have with our affiliated entities present a conflict of interest because we may have a financial incentive to recommend our affiliates' services. While we believe that compensation charged by our affiliates are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services and may obtain comparable services and/or lower fees through other firms.

Persons providing investment advice on behalf of our firm are also licensed as registered representatives and/or investment adviser representatives with United Planners Financial Services, ("United Planners"), a securities broker-dealer and registered investment adviser, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. As dually licensed representatives, such individuals will receive commissions for the purchase and sale of securities and annuity products.

Persons providing investment advice on behalf of our firm may recommend that you purchase variable annuities to be included in your investment portfolio(s). If the variable annuity is sold through United Planners, such persons will earn commissions on the sale of the variable annuities.

We will not include these annuity positions in the total value used for our advisory billing/fee computation. Commission paying annuities will be purchased for your account only after you receive a prospectus disclosing the terms of the annuity. You are under no obligation, contractually or otherwise, to purchase variable annuities through any person affiliated with our firm.

All commission revenue received by our advisory representatives in their separate capacities at United Planners is separate and in addition to revenue received from advisory fees. These arrangements also represent a conflict of interest due to the receipt of both advisory and commission compensation. Capital Advisory Group has policies and procedures in place to monitor all client transactions. Where Capital Advisory Group finds an Associated Person has not acted in the best interest of the client, Capital Advisory Group may cancel the transaction. In any event, all client transaction costs will be disclosed to the client.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11

Description of Our Code of Ethics

We will comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for our Associated Persons. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All of our Associated Persons are expected to adhere strictly to these guidelines. Our Code of Ethics also requires that certain persons associated with our firm submit reports of their personal account holdings and transactions to a qualified representative of our firm who will review these reports on a periodic basis. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Our Code of Ethics is available to you upon request. You may obtain a copy of our Code of Ethics by contacting us at (952) 831-8243.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our Associated Persons nor we shall have priority over your account in the purchase or sale of securities.

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Please refer to the "Brokerage Practices" section in this Brochure for information on our block trading practices.

Brokerage Practices - Item 12

Principals and Investment Adviser Representatives of Capital Advisory Group are registered representatives and/or investment adviser representatives United Planners Financial Services, ("United Planners"), a securities broker-dealer and registered investment adviser, and a member of the Financial Industry Regulatory Authority and the Securities Investor Protection Corporation. If a client chooses to implement brokerage transactions through Principals and Investment Adviser Representatives, the broker/dealers used for client accounts is United Planners. United Planners performs "due diligence" on mutual funds, limited partnerships, and insurance products. Only those investments that meet their requirements will be on the United Planners' "approved product list" and be offered for sale to clients.

For Capital Advisory Group's portfolio management services, we recommend and request clients to implement trades and maintain custody of assets through discount brokers. We will recommend the services of Charles Schwab & Co., Inc. ("Schwab") and Pershing Advisor Solutions LLC ("Pershing"). These firms are independent and unaffiliated SEC-registered broker-dealers and members of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). These firms offer us services which include custody of securities, trade execution, clearance, and settlement of transactions.

Research and Other Soft Dollar Benefits Received from Schwab

Services that Benefit You: Schwab's institutional brokerage services include access to a broad range of investment products, execution of securities transactions, and custody of client assets. The investment products available through Schwab include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our clients. Schwab's services described in this paragraph generally benefit you and your account.

Services that May Not Directly Benefit You: Schwab also makes available to us other products and services that benefit us but may not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts. They include investment research, both Schwab's own and that of third parties. We may use this research to service all or some substantial number of our clients' accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that:

- provide access to client account data (such as duplicate trade confirmations and account statements);
- facilitate trade execution and allocate aggregated trade orders for multiple client accounts;
- provide pricing and other market data;
- facilitate payment of our fees from our clients' accounts; and
- assist with back-office functions, recordkeeping, and client reporting.

Services that Generally Benefit Only Us: Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- educational conferences and events

- technology, compliance, legal, and business consulting;
- publications and conferences on practice management and business succession; and
- access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of these services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may also discount or waive its fees for some of these services or pay all or a part of a third party's fees. Schwab may also provide us with other benefits such as occasional business entertainment of our personnel.

Research and Other Soft Dollar Benefits received from Pershing

Although not considered "soft dollar" compensation, Capital Advisory Group may receive benefits from PAS for research services to include reports, software, and institutional trading support. The receipt of additional benefits may give us an incentive to require that you maintain your account with PAS based on our interest in receiving PAS' services rather than your interest in receiving the best value and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that our selection of PAS as custodian and broker is in the best interests of our clients. Our belief is primarily supported by the scope and quality of services PAS provides to our clients and not services that benefit only us. Additionally, these benefits are offered to all investment advisers that use PAS for brokerage and execution services and not just our firm. To mitigate the existence of this conflict, on a periodic basis, we conduct a review of the full range and quality of PAS' services, including execution quality, commission rate, the value of research provided, financial strength, and responsiveness to our requests for trade data and other information.

Capital Advisory Group understands its duty for best execution and considers all factors in making recommendations to clients. These research services may be useful in servicing all Capital Advisory Group clients, and may not be used in connection with any particular account that may have paid compensation to the firm providing such services. While Capital Advisory Group may not always obtain the lowest commission rate, Capital Advisory Group believes the rate is reasonable in relation to the value of the brokerage and research services provided.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

Persons providing investment advice on behalf of our firm who are registered representatives of United Planners will recommend The United Planners to you for brokerage services. These individuals are subject to applicable rules that restrict them from conducting securities transactions away from United Planners unless the broker-dealers provide the representative with written authorization to do so. Therefore, these individuals are generally limited to placing securities transactions through The Broker-Dealers or a broker dealer that has been preapproved by United Planners. It may be the case that United Planners charges higher transactions costs and/or custodial fees than another broker charges for the same types of services. If transactions are executed through United Planners, these individuals (in their separate capacities as registered representatives) will earn commission-based compensation. This practice presents a conflict of interest because these registered representatives have an incentive to effect securities transactions for the purpose of generating

commissions rather than solely based on your needs. You may utilize the broker-dealer of your choice and have no obligation to purchase or sell securities through such broker as we recommend. However, if you do not use United Planners, we may not be able to accept your account. Please see the "Fees and Compensation" section in this Brochure for more information on the compensation received by registered representatives who are affiliated with our firm.

In limited circumstances, United Planners may allow our firm to accept client requests to direct transactions away from Schwab and Pershing. You should understand that this might prevent our firm from aggregating trades with other client accounts. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your broker are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

We may combine multiple orders for shares of the same securities purchased for advisory accounts we manage (this practice is commonly referred to as "block trading"). We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. The distribution of the shares purchased is typically proportionate to the size of the account, but it is not based on account performance or the amount or structure of management fees. Subject to our discretion regarding factual and market conditions, when we combine orders, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs. Accounts owned by our firm or persons associated with our firm may participate in block trading with your accounts; however, they will not be given preferential treatment.

Review of Accounts - Item 13

Capital Advisory Group monitors the individual investments within client portfolios continuously. Portfolio performance is reviewed, at a minimum, on a quarterly basis. Capital Advisory Group offers portfolio management clients an in-person portfolio review meeting on an annual basis. All portfolio reviews are performed by the Advisory Representative assigned to the client's account.

Additional reviews may be conducted based on various circumstances, including, but not limited to:

- contributions and withdrawals;
- year-end tax planning;
- market moving events;
- security specific events; and/or,
- changes in your risk/return objectives.

A financial plan is a snapshot in time and no ongoing reviews are conducted. We recommend clients engage us on an annual basis to update the financial plan.

We will provide you with additional written reports on an as needed basis. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s). In addition, the

client will receive other supporting reports from Mutual Funds, Asset Managers, Trust Companies or Custodians, Insurance Companies, Broker/Dealers and others who are involved with client accounts.

The client is encouraged to notify our firm if changes occur in his/her personal financial situation that might adversely affect his/her investment plan.

Client Referrals and Other Compensation - Item 14

As disclosed under the "Fees and Compensation" section in this Brochure, Associated Persons providing investment advice on behalf of our firm are licensed insurance agents, and are licensed as registered representatives and investment adviser representatives with United Planners. For information on the conflicts of interest this presents, and how we address these conflicts, please refer to the "Fees and Compensation" section.

Occasionally, our firm and our Associated Persons will receive additional compensation from vendors. Compensation could include such items as gifts; an occasional dinner or ticket to a sporting event; reimbursement in connection with educational meetings with an Associated Person, reimbursement for consulting services, client workshops, or events; or marketing events or advertising initiatives, including services for identifying prospective clients. Receipt of additional economic benefits presents a conflict of interest because our firm and Associated Persons have an incentive to recommend and use vendors based on the additional economic benefits obtained rather than solely on the client's needs. We address this conflict of interest by recommending vendors that we, in good faith, believe are appropriate for the client's particular needs. Clients are under no obligation contractually or otherwise, to use any of the vendors recommended by us.

We may directly compensate non-employee (outside) consultants, individuals, and/or entities (Solicitors) for client referrals. In order to receive a cash referral fee from our firm, Solicitors must comply with the requirements of the jurisdictions in which they operate. If you were referred to our firm by a Solicitor, you should have received a copy of this Disclosure Brochure along with the Solicitor's disclosure statement at the time of the referral. If you become a client, the Solicitor that referred you to our firm will receive a percentage of the advisory fee you pay our firm for as long as you are a client with our firm, or until such time as our agreement with the Solicitor expires or a one-time, flat referral fee upon your signing an advisory agreement with our firm. You will not pay additional fees because of this referral arrangement. Referral fees paid to a Solicitor are contingent upon your entering into an advisory agreement with our firm. Therefore, a Solicitor has a financial incentive to recommend our firm to you for advisory services. This creates a conflict of interest; however, you are not obligated to retain our firm for advisory services. Comparable services and/or lower fees may be available through other firms.

Solicitors that refer business to more than one investment adviser have a financial incentive to recommend advisers with more favorable compensation arrangements. We request that our Solicitors disclose to you whether multiple referral relationships exist and that comparable services may be available from other advisers for lower fees and/or where the Solicitor's compensation is less

favorable. At this time, Capital Advisory Group has a solicitor arrangement with Mr. Mark Foreman, CPA.

Custody - Item 15

Capital Advisory Group is deemed to have custody of client funds solely because of the fee deduction authority granted by the client in the investment advisory agreement.

We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review account statements for accuracy. The custodial statement is the official record of your account for tax purposes. Minor variations may occur between our quarterly reports and the client's custodial statement because of reporting dates, accrual methods of interest and dividends, and other factors.

Investment Discretion - Item 16

You may grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. You may specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you may specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

Voting Client Securities - Item 17

Proxy Voting

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of common stock or mutual funds, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly

to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitation to vote proxies.

For accounts subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA), the plan fiduciary specifically keeps the authority and responsibility for the voting of any proxies for securities held in plan accounts. Also, we cannot give any advice or take any action with respect to the voting of these proxies.

Financial Information - Item 18

We are not required to provide financial information to our clients because we do not:

- require the prepayment of more than \$1,200 in fees and six or more months in advance, or
- take custody of client funds or securities, or
- have a financial condition that is reasonably likely to impair our ability to meet our commitments to you.

Requirements of State-Registered Advisers - Item 19

This section is intentionally left blank- Our Firm is SEC registered.

Miscellaneous

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Please contact us at (952) 831-8243 if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions may include canceling the trade, adjusting an allocation, and/or reimbursing the account.