

Item 1 – Cover Page

Colarion LLC

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Colarion LLC is a state registered investment advisory firm in the state of Alabama qualified and applying for SEC registration. This disclosure brochure provides information about the qualifications and business practices of Colarion LLC. If you have any questions about the contents of this disclosure brochure, please contact Samuel Haskell at (205) 410-9443 or sam@colarionpartners.com. The information in this disclosure brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Colarion LLC is also available on the Internet. You can view the firm's information on this website by searching for Colarion LLC or the firm's CRD number 284588.

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

Item 2 – Material Changes

The following items within this disclosure brochure have been updated:

Item 4: Advisory Business – Assets under management has been updated to reflect current totals for SEC registration.

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Item 4 – Advisory Business

Colarion is an investment adviser registered with the State of Alabama and is a limited liability company (LLC) formed under the laws of the State of Alabama applying for registration with the SEC.

- Samuel Haskell is the Managing Member and 100% owner of Colarion.
- Colarion filed its initial application to become registered as an investment adviser in May 2017.

Introduction

The investment advisory services of Colarion are provided to you through an appropriately licensed and qualified individual who is an investment adviser representative of Colarion (referred to as your investment adviser representative throughout this brochure).

Description of Advisory Services

The following are descriptions of the primary advisory services of Colarion. Please understand that a written agreement, which details the exact terms of the service, must be signed by you and Colarion before providing you the services described below.

Asset Management Services – Colarion offers asset management services, which involves Colarion providing you with continuous and ongoing supervision over your specified accounts.

You must appoint the firm as your investment adviser of record on specified accounts (collectively, the “Account”). The Account consists of separate account(s) held by qualified custodian(s) under your name. The qualified custodians maintain physical custody of all funds and securities of the Account, and you retain all rights of ownership (e.g., right to withdraw securities or cash, exercise or delegate proxy voting and receive transaction confirmations) of the Account.

The Account is managed based on your financial situation, investment objectives and risk tolerance. The firm actively monitors the Account and provides advice regarding buying, selling, reinvesting or holding securities, cash or other investments in the Account.

We will need to obtain certain information from you to determine your financial situation and investment objectives. You will be responsible for notifying us of any updates regarding your financial situation, risk tolerance or investment objective and whether you wish to impose or modify existing investment restrictions; however, we will contact you at least annually to discuss any changes or updates regarding your financial situation, risk tolerance or investment objectives. We are always reasonably available to consult with you relative to the status of your Account. You have the ability to impose reasonable restrictions on the management of your accounts, including the ability to instruct me not to purchase certain securities.

It is important that you understand that we manage investments for other clients and may give them advice or take action for them or for our personal accounts that is different from the advice we provide or actions taken for you. We are not obligated to buy, sell or recommend to you any security or other investment that we may buy, sell or recommend for any other clients or for our own accounts. We may buy or sell securities in which Colarion clients may also transact business in.

Conflicts may arise in the allocation of investment opportunities among accounts that we manage. We strive to allocate investment opportunities believed to be appropriate for your account(s) and other accounts advised by my firm among such accounts equitably and consistent with the best interests of all accounts involved. However, there can be no assurance that a particular investment opportunity that comes to our attention will be allocated in any particular manner. If we obtain material, non-public information about a security or its issuer that we may not lawfully use or disclose, we have absolutely no obligation to disclose the information to any client or use it for any client's benefit.

Colarion is advisor to the Mint Financial Sector Fund, LP ("The Mint Partnership"), which uses related but different strategies in relation to high net worth advisory clients of Colarion LLC. The Mint Partnership may more proactively participate in private placements or other securities offerings, and more frequently seeks to hedge the performance of client portfolios.

Limits Advice to Certain Types of Investments

Colarion provides investment advice on the following types of investments:

- Exchange-listed Securities
- Securities Traded Over-the-Counter
- Warrants
- Corporate Debt Securities
- Options Contracts on Securities

Although we generally provide advice only on the products previously listed, we reserve the right to offer advice on any investment product that may be suitable for each client's specific circumstances, needs, goals and objectives.

It is not our typical investment strategy to attempt to time the market, but we may increase cash

holdings modestly as deemed appropriate based on your risk tolerance and our expectations of market behavior. We may modify my investment strategy to accommodate special situations such as low basis stock, stock options, legacy holdings, inheritances, closely held businesses, collectibles, or special tax situations.

(Please refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss for more information.)

Tailor Advisory Services to Individual Needs of Clients

Colarion's advisory services are always provided based on your individual needs. This means, for example, that when we provide asset management services, you are given the ability to impose restrictions on the accounts I manage for you, including specific investment selections and sectors. We work with you on a one-on-one basis through interviews and questionnaires to determine your investment objectives and suitability information.

We will not enter into an investment adviser relationship with a prospective client whose investment objectives may be considered incompatible with my investment philosophy or strategies or where the prospective client seeks to impose unduly restrictive investment guidelines.

Such tailoring to client needs does not apply to partners of the Mint Partnership.

Client Assets Managed by Colarion

Colarion advises on approximately \$120,919,729 million in discretionary client assets.

Item 5 – Fees and Compensation

In addition to the information provided in *Item 4 – Advisory Business*, this section provides additional details regarding our firm's services along with descriptions of each service's fees and compensation arrangements. It should be noted that lower fees for comparable service may be available from other sources. The exact fees and other terms will be outlined in the agreement between you and Colarion or the reassignment of an agreement to Colarion.

Asset Management Services

Fees charged for our asset management services are charged based on a percentage of assets under management, billed in arrears (at the end of the billing period) on a monthly calendar basis and or in advance (at the beginning of a billing period) on a quarterly basis if designated in your agreement, calculated based on the fair market value of your account as of the last business day of the current billing period.

Fees are prorated (based on the number of days service is provided during the initial billing period) for your account opened at any time other than the beginning of the billing period. If asset management services are commenced in the middle of the billing period, then the prorated fee for that billing period will be billed in arrears at the end of that billing period.

The asset management services continue in effect until terminated by either party (i.e., Colarion or you) by providing written notice of termination to the other party. When fees are billed in arrears, Colarion will prorate the final fee payment based on the number of days services are provided during the final period.

The amount of client assets on the termination date will be used to determine the final fee payment for fees paid in arrears. When fees are paid in advance, the prorated amount from the date of termination will be refunded to the client promptly.

The annual fee for asset management services will vary between 0.60% and 1.00% depending on whether account size is above or below \$1 million. The annual fee for asset management services to partners of the Mint Partnership is 1.5%.

The minimum account size is \$250,000 but this limit may be waived in certain circumstances.

Colarion believes that its annual fee is reasonable in relation to: (1) services provided and (2) the fees charged by other investment advisers offering similar services/programs. However, the annual investment advisory fee may be higher than that charged by other investment advisers offering similar services/programs. In addition to our compensation, you may also incur charges imposed at the mutual fund level (e.g., advisory fees and other fund expenses).

The investment advisory fees will be deducted from your account and paid directly to our firm by the qualified custodian(s) of your account. You will authorize the qualified custodian(s) of your account to deduct fees from your account and pay such fees directly to our firm. See *Item 15 – Custody* for more details.

You should review your account statements received from the qualified custodian(s) and verify that appropriate investment advisory fees are being deducted. The qualified custodian(s) will not verify the accuracy of the investment advisory fees deducted.

Brokerage commissions and/or transaction ticket fees charged by the qualified custodian are billed directly to you by the qualified custodian. Colarion does not receive any portion of such commissions or fees from you or the qualified custodian. In addition, you may incur certain charges imposed by third parties other than Colarion in connection with investments made through your account including, but not limited to, mutual fund sales loads, 12(b)-1 fees and surrender charges, variable annuity fees and surrender charges, IRA and qualified retirement plan fees, and charges imposed by the qualified custodian(s) of your account. Management fees charged by Colarion are separate and distinct from the fees and expenses charged by investment company securities that may be recommended to you. A description of these fees and expenses are available in each investment company security's prospectus.

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

Performance-based fees are defined as fees based on a share of capital gains on or capital appreciation of the assets held in a client's account. An incentive fee above a "high water mark," in which a partner holds a net gain in his investment, of 20% is applied to investors of the Mint Partnership.

Item 7 – Types of Clients

Colarion generally provides investment advice to the following types of clients:

- Individuals
- High net worth individuals
- Trusts, estates, or charitable organizations

You are required to execute a written agreement with Colarion specifying the particular advisory services in order to establish a client arrangement with Colarion.

Minimum Investment Amounts Required

Colarion requires a minimum of \$250,000 in order to open an account except under unusual circumstances. To reach this account minimum, clients may aggregate all household accounts.

Colarion is advisor to the Mint Financial Sector Fund, LP, which also requires a minimum of \$250,000 investment from partners.

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

Methods of Analysis

Colarion uses the following methods of analysis in formulating investment advice:

Fundamental – This is a method of evaluating a security by attempting to measure its intrinsic value by examining related economic, financial and other qualitative and quantitative factors. Fundamental analysts attempt to study everything that can affect the security's value, including macroeconomic factors (like the overall economy and industry conditions) and individually specific factors (like the financial condition and management of a company). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of figuring out what sort of position to take with that security (underpriced = buy, overpriced = sell or short). Fundamental analysis is considered to be the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

The risk associated with fundamental analysis is that it is somewhat subjective. While a quantitative approach is possible, fundamental analysis usually entails a qualitative assessment of how market forces interact with one another in their impact on the investment in question. It is possible for those market forces to point in different directions, thus necessitating an interpretation of which forces will be dominant. This interpretation may be wrong, and could therefore lead to an unfavorable investment decision.

Technical – This is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a

security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. Technical analysts believe that the historical performance of stocks and markets are indications of future performance.

Technical analysis is even more subjective than fundamental analysis in that it relies on proper interpretation of a given security's price and trading volume data. A decision might be made based on a historical move in a certain direction that was accompanied by heavy volume; however, that heavy volume may only be heavy relative to past volume for the security in question, but not compared to the future trading volume. Therefore, there is the risk of a trading decision being made incorrectly, since future trading volume is an unknown. Technical analysis is also done through observation of various market sentiment readings, many of which are quantitative. Market sentiment gauges the relative degree of bullishness and bearishness in a given security, and a contrarian investor utilizes such sentiment advantageously. When most traders are bullish, then there are very few traders left in a position to buy the security in question, so it becomes advantageous to sell it ahead of the crowd. When most traders are bearish, then there are very few traders left in a position to sell the security in question, so it becomes advantageous to buy it ahead of the crowd. The risk in utilization of such sentiment technical measures is that a very bullish reading can always become more bullish, resulting in lost opportunity if the money manager chooses to act upon the bullish signal by selling out of a position. The reverse is also true in that a bearish reading of sentiment can always become more bearish, which may result in a premature purchase of a security.

There are risks involved in using any analysis method.

To conduct analysis, Colarion gathers information from discussions with management, inspection of corporate activities, research materials prepared by others, timing services, annual reports, prospectuses and filings with the SEC, and company press releases.

Investment Strategies

Colarion uses the following investment strategies when managing client assets and/or providing investment advice:

Long term purchases. Investments held at least a year.

Short term purchases. Investments sold within a year.

Frequent trading. This strategy refers to the practice of selling investments within 30 days of purchase. This technique is infrequently used

Short sales. A short sale is generally the sale of a stock not owned by the investor. Investors who sell short believe the price of the stock will fall. If the price drops, the investor can buy the stock at the lower price and make a profit. If the price of the stock rises and the investor buys it back later at the higher price, the investor will incur a loss. Short sales require a margin account.

Option writing including cover options, uncovered options or spreading strategies. Options are contracts giving the purchaser the right to buy or sell a security, such as stocks, at a fixed price within a specific period of time.

Option purchases to hedge down-side risk

Primarily Recommend One Type of Security

We do not primarily recommend one type of security to clients. Instead, we recommend any product that may be suitable for each client relative to that client's specific circumstances and needs. However, client portfolios typical show heavier allocation to stocks and options than to bonds.

Risk of Loss

Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy will be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal.

Because of the inherent risk of loss associated with investing, the firm is unable to represent, guarantee, or even imply that my services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines. There are certain additional risks associated with investing in securities through my investment management program, as described below:

- Market Risk – Either the stock market as a whole, or the value of an individual company, goes down resulting in a decrease in the value of client investments. This is also referred to as systemic risk.
- Equity (stock) market risk – Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.
- Company Risk. When investing in stock positions, there is always a certain level of company or industry specific risk that is inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.
- Fixed Income Risk. When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk.
- Options Risk. Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

- **ETF and Mutual Fund Risk** – When investing in a an ETF or mutual fund, you will bear additional expenses based on your pro rata share of the ETF's or mutual fund's operating expenses, including the potential duplication of management fees. The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. You will also incur brokerage costs when purchasing ETFs.
- **Management Risk** – Your investment with my firm varies with the success and failure of my investment strategies, research, analysis and determination of portfolio securities. If my investment strategies do not produce the expected returns, the value of the investment will decrease.

Item 9 Disciplinary Information

Item 9 is not applicable to this Disclosure Brochure because there are no legal or disciplinary events to be disclose by Colarion.

Item 10 Other Financial Industry Activities and Affiliations

Colarion is **not** and does **not** have a related person that is a municipal securities dealer, government securities dealer or broker, an investment company (including a mutual fund, closed-end investment company, unit investment trust, or private investment company), or a futures commission merchant, commodity pool operator, or commodity trading advisor, a banking or thrift institution, an accountant or accounting firm, a lawyer or law firm, a real estate broker or dealer, and a sponsor or syndicator of limited partnerships.

Colarion is an independent registered investment registered adviser and only provides investment advisory services. We are not engaged in any other business activities and offer no other services except those described in this Disclosure Brochure. However, while we do not sell products or services other than investment advice, our representatives may sell other products or provide services outside of their role as investment adviser representatives with us. Colarion has associates that may have an affiliation with a broker dealer, insurance company or agency, pension consulting and may provide other approved financial planning services.

Other Business Activities of Company Principal

Samuel D. Haskell is currently also a principal of Sipco LLC, a real estate investment firm. He spends approximately 10% of his time on this activity. Mr. Haskell further serves on the board of CommerceOne Bank, a community bank located in Birmingham, AL. Mr. Haskell is also 35% owner of jhh wealth, llc. He serves as CIO of jhh wealth LLC, and periodically advises with the affiliate broker dealer, Allen C. Ewing & Co. He spends approximately 20% of his time on this activity. Mr. Haskell has an association with the Mint Financial Sector Fund as the General Partner and Manager through Colarion.

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

Code of Ethics Summary

An investment adviser is considered a fiduciary and has a fiduciary duty to all clients. Colarion has established a Code of Ethics to comply with the requirements of the securities laws and regulations that reflects its fiduciary obligations and those of its supervised persons.

All employees, officers, directors and investment adviser representatives are classified as supervised persons. Colarion requires its supervised persons to consistently act in your best interest in all advisory activities. Colarion imposes certain requirements on its affiliates and supervised persons to ensure that they meet the firm's fiduciary responsibilities to you. The standard of conduct required is higher than ordinarily required and encountered in commercial business.

This section is intended to provide a summary description of the Code of Ethics of Colarion. If you wish to review the Code of Ethics in its entirety, you should send me a written request and upon receipt of your request, I will promptly provide a copy of the Code of Ethics to you.

Affiliate and Employee Personal Securities Transactions Disclosure

Colarion or associated persons of the firm may buy or sell for their personal accounts, investment products identical to those recommended to clients. This creates a potential conflict of interest. It is the express policy of Colarion that all persons associated in any manner with my firm must place clients' interests ahead of their own when implementing personal investments. Colarion and its associated persons will not buy or sell securities for their personal account(s) where their decision is derived, in whole or in part, by information obtained as a result of employment or association with my firm unless the information is also available to the investing public upon reasonable inquiry.

We are and will continue to be in compliance with applicable state and federal rules and regulations. To prevent conflicts of interest, we have developed written supervisory procedures that include personal investment and trading policies for my representatives, employees and their immediate family members

- Associated persons cannot purchase or sell any security for their personal accounts prior to implementing transactions for client accounts.
- Associated persons cannot buy or sell securities for their personal accounts when those decisions are based on information obtained as a result of their employment, unless that information is also available to the investing public upon reasonable inquiry.
- Associated persons are prohibited from purchasing or selling securities of companies in which any client is deemed an "insider".
- Associated persons are discouraged from conducting frequent personal trading.
- Associated persons are generally prohibited from serving as board members of publicly traded companies unless an exception has been granted to the Chief Compliance Officer of Colarion.

Any associated person not observing our policies is subject to sanctions up to and including termination.

Item 12 – Brokerage Practices

Clients are under no obligation to act on the financial planning recommendations of Colarion. If the firm assists in the implementation of any recommendations, we are responsible to ensuring that the client receives the best execution possible. Best execution does not necessarily mean that clients receive the

lowest possible commission costs but that the qualitative execution is best. In other words, all conditions considered, the transaction execution is in your best interest. When considering best execution, we look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with my existing systems, ease of monitoring investments)
- Products and services offered (e.g., investment programs, back-office services, technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity
- Ability to maintain confidentiality

We exercise reasonable due diligence to make certain that best execution is obtained for all clients when implementing any transaction by considering the back-office services, technology and pricing of services offered.

Brokerage Recommendations

Colarion may recommend/require that clients establish brokerage accounts with Interactive Brokers ("IB"), and Charles Schwab ("Schwab"), RBC Clearing & Custody ("RBC"), each FINRA-registered broker-dealers, members SIPC, to maintain custody of clients' assets and to effect trades for their accounts. Although Colarion may recommend/require the clients establish accounts at these entities, it is the client's decision to custody assets with their preferred provider. Colarion is independently owned and operated and not affiliated with IB, Schwab or RBC. Colarion may recommend additional unaffiliated broker-dealers to affect fixed income transactions.

IB and Schwab may provide Colarion with access to its institutional trading and custody services, which are typically not available to retail investors. These services generally are available to independent investment advisors on an unsolicited basis, at no charge to them so long as a total of at least \$1 million of the advisor's clients' assets are maintained at IB Institutional and \$12 million are maintained at Schwab. These services are not contingent upon Colarion committing to either firm any specific amount of business (assets in custody or trading commissions). Both firm's brokerage services include the execution of securities transactions, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require significantly higher minimum initial investment.

For Colarion' clients' accounts maintained in its custody, the firms generally do not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through the firms or that settle into their accounts.

IB's products and services that assist Colarion in managing and administering clients' accounts include software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitate trade execution and allocate aggregated trade orders for multiple client accounts; (iii) provide research, pricing and other market data; (iv) facilitate payment of Colarion' fees from some of its accounts; and (v) assist with back-office functions, record keeping and client reporting.

IB and Schwab also offers other services intended to help Colarion manage and further develop its business enterprise. These services may include: (i) compliance, legal and business consulting; (ii) publications and conferences on practice management and business succession; and (iii) access to employee benefits providers, human capital consultants and insurance providers. IB may discount or waive fees it would otherwise charge for some of these services or pay all or part of the fees of a third-party providing these services to Colarion. IB may also provide other benefits such as educational events or occasional business entertainment of Colarion personnel. While as a fiduciary, Colarion endeavors to act in its clients' best interests, Colarion's recommendation that clients maintain their assets in accounts at IB and / or Schwab may take into account availability of some of the foregoing products and services and other arrangements not solely on the nature of cost or quality of custody and brokerage services provided by firms, which may create a potential conflict of interest.

Directed Brokerage

Clients should understand that not all investment advisors require the use of a particular broker/dealer or custodian. Some investment advisors allow their clients to select whichever broker/dealer the client decides. By requiring clients to use a particular broker/dealer, Colarion may not achieve the most favorable execution of client transactions and the practice requiring the use of specific broker/dealers may cost clients more money than if the client used a different broker/dealer or custodian. In the interest of the client and the firm, the execution quality of the designated brokers/dealers and custodians are routinely evaluated.

Soft Dollar Benefits

An investment adviser receives soft dollar benefits from a broker-dealer when the investment adviser receives research or other products and services in exchange for client securities transactions or maintaining an account balance with the broker-dealer.

Colarion does not have a soft dollar agreement with a broker-dealer or a third-party, but may trade using third party brokerage in recognition of those brokers' research capabilities.

Handling Trade Errors

Colarion has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with its fiduciary duty, it is the policy of Colarion to correct trade errors in a manner that is in the best interest of the client. In cases where the client causes the trade error, the client is responsible for any loss resulting from the correction. Depending on the specific circumstances of the trade error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trade error, the client is made whole and any loss resulting from the trade error is absorbed by Colarion if the error is caused by Colarion. If the error is caused by the broker-dealer, the broker-dealer is responsible for handling the trade error. If an investment gain results from the correcting trade, the gain remains in the client's account unless the same error involved other client account(s) that should also receive the gains. It is not permissible for all clients to retain the gain. Colarion may also confer with a client to determine if the client should forego the gain (e.g., due to tax reasons).

Colarion will never benefit or profit from trade errors.

Block Trading Policy

We may elect to purchase or sell the same securities for several clients at approximately the same time. This process is referred to as aggregating orders, batch trading or block trading and is used by my firm when Colarion believes such action may prove advantageous to clients. If and when we aggregate client orders, allocating securities among client accounts is done on a fair and equitable basis. Typically, the process of aggregating client orders is done in order to achieve better execution, to negotiate more favorable commission rates or to allocate orders among clients on a more equitable basis in order to avoid differences in prices and transaction fees or other transaction costs that might be obtained when orders are placed independently.

Colarion uses the pro rata allocation method for transaction allocation.

Under this procedure, pro rata trade allocation means an allocation of the trade at issue among applicable advisory clients in amounts that are proportional to the participating advisory client's intended investable assets. Colarion will calculate the pro rata share of each transaction included in a block order and assigns the appropriate number of shares of each allocated transaction executed for the client's account.

If and when we determine to aggregate client orders for the purchase or sale of securities, including securities in which Colarion or our associated persons may invest, we will do so in accordance with the parameters set forth in the SEC No-Action Letter, *SMC Capital, Inc.* Our associated persons do not receive any additional compensation as a result of block trades.

Agency Cross Transactions

Our associated persons are prohibited from engaging in agency cross transactions, meaning I cannot act as brokers for both the sale and purchase of a single security between two different clients and cannot receive compensation in the form of an agency cross commission or principal mark-up for the trades.

Item 13 – Review of Accounts

Account Reviews and Reviewers

Managed accounts are reviewed at least quarterly. While the calendar is the main triggering factor, reviews can also be conducted at your request. Account reviews will include investment strategy and objectives review and making a change if strategy and objectives have changed. Reviews are conducted by the assigned advisor, with reviews performed in accordance with your investment goals and objectives.

Statements and Reports

For our asset management services, you are provided with transaction confirmation notices and regular quarterly account statements in writing directly from the qualified custodian. Additionally, Colarion may provide position or performance reports to you monthly and upon request.

You are encouraged to always compare any reports or statements provided by me against the account statements delivered from the qualified custodian. When you have questions about your account statement, you should contact my firm and the qualified custodian preparing the statement.

Item 14 – Client Referrals and Other Compensation

Colarion does not directly or indirectly compensate any person for client referrals.

The only compensation received from advisory services is the fees charged for providing investment advisory services as described in *Item 5* of this Disclosure Brochure. Colarion receives no other forms of compensation in connection with providing investment advice.

Please see Item 5, Fees and Compensation, Item 10, Other Financial Industry Activities and Affiliations and Item 12, Brokerage Practices, for additional discussion concerning other compensation.

Item 15 – Custody

Colarion is deemed to have custody of client funds and securities whenever Colarion holds the authority to have fees deducted directly from client accounts. However, this is the only form of custody Colarion will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which Colarion is deemed to have custody, we have established procedures to ensure all client funds and securities are held at a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the manner in which the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. Clients should carefully review those statements and are urged to compare the statements against reports received from Colarion. When clients have questions about their account statements, they should contact Colarion or the qualified custodian preparing the statement.

In the case of the Mint Partnership, Colarion employs the services of a third-party fund administration to account for assets managed within the Fund.

When fees are deducted from an account, Colarion is responsible for calculating the fee and delivering instructions to the custodian. At the same time Colarion instructs the custodian to deduct fees from your account; the custodian will make available to the client an itemization of the fee. Itemization will include the fee, the amount of assets under management the fee is based on, and the time period covered by the fee.

Item 16 – Investment Discretion

When providing asset management services, Colarion maintains trading authorization over your Account and can provide management services on a **discretionary** basis. When discretionary authority is granted, we will have the authority to determine the type of securities, the amount of securities that can be bought or sold, the broker or dealer to be used and the commission rates paid for your portfolio without obtaining your consent for each transaction.

You will have the ability to place reasonable restrictions on the types of investments that may be purchased in your Account. You may also place reasonable limitations on the discretionary power granted to Colarion or choose a non-discretionary arrangement so long as the limitations are specifically set forth or included as an attachment to the client agreement.

Item 17 – Voting Client Securities

While, Colarion does not vote proxies for securities in which it maintains discretion, from time to time the firm may vote proxies deemed necessary for the management of client accounts or as requested by a client.

Item 18 – Financial Information

This *Item 18* is not applicable to this brochure. Colarion does not require or solicit prepayment of more than \$500 in fees per client, six months or more in advance. Therefore, we are not required to include a balance sheet for the most recent fiscal year. We are not subject to a financial condition that is reasonably likely to impair my ability to meet contractual commitments to clients. Finally, Colarion has not been the subject of a bankruptcy petition at any time.

Business Continuity Plan

Colarion has a business continuity and contingency plan in place designed to respond to significant business disruptions. These disruptions can be both internal and external. Internal disruptions will impact my ability to communicate and do business, such as a fire in the office building. External disruptions will prevent the operation of the securities markets or the operations of a number of firms, such as earthquakes, wildfires, hurricanes, terrorist attack or other wide-scale, regional disruptions.

Our continuity and contingency plan has been developed to safeguard employees' lives and firm property, to allow a method of making financial and operational assessments, to quickly recover and resume business operations, to protect books and records, and to allow clients to continue transacting business.

The plan includes the following:

- Alternate locations to conduct business;
- Hard and electronic back-ups of records;
- Alternative means of communications with employees, clients, critical business constituents and regulators; and

- Details on the firms' employee succession plan

Our business continuity and contingency plan is reviewed and updated on a regular basis to ensure that the policies in place are sufficient and operational.

Customer Privacy Policy Notice

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

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

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

- Information reported by the client on applications or other forms the client provides to Colarion
- Information about the client's transactions implemented by Colarion or others
- Information developed as part of financial plans, analyses or investment advisory services

To administer, manage, service and provide related services for client accounts, it is necessary for Colarion to provide access to customer information within the firm and to non-affiliated companies with whom Colarion has entered into agreements. To provide the utmost service, Colarion may disclose the information below regarding customers and former customers, as necessary, to companies to perform certain services on Colarion Partner's behalf.

- Information Colarion receives from the client on applications (name, Social Security number, address, assets, etc.)
- Information about the client's transactions with Colarion or others (account information, payment history, parties to transactions, etc.)
- Information concerning investment advisory account transactions
- Information about a client's financial products and services transaction with Colarion

Since Colarion shares non-public information solely to service client accounts, Colarion does not disclose any non-public personal information about Colarion' customers or former customers to anyone, except as permitted by law. However, Colarion may also provide customer information outside of the firm as required by law, such as to government entities, consumer reporting agencies or other third parties in response to subpoenas. In the event that Colarion has a change to its customer privacy policy that would allow it to disclose non-public information not covered under applicable law, Colarion will allow its clients the

opportunity to opt out of such disclosure.