

Part 2A of Form ADV

Firm Brochure

Plan Group Financial, Inc.

6 NE 63rd Street, Suite 240

Oklahoma City, OK 73105

Phone: (405) 848-1099

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[www.plangroup.com](http://www.plangroup.com)

This brochure provides information about the qualifications and business practices of Plan Group Financial, Inc. If you have any questions about the contents of this brochure, please contact us at (405) 848-1099. 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 Plan Group Financial, Inc. also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

Please note that registration as an investment advisory firm does not imply a certain level of skill or training.

## Item 2      Material Changes

Since our last amendment, dated November 27, 2023, we have made the following material changes:

- Brian Petraitis has replaced Robert Hopkins as Chief Compliance Officer.

We will ensure that you receive a summary of any material changes to this and subsequent disclosure brochures within 120 days after our firm's fiscal year ends. Our firm's fiscal year ends on December 31, so you will receive the summary of material changes no later than April 30 each year. At that time, we will also offer or provide a copy of the most current disclosure brochure. We may also provide other ongoing disclosure information about material changes as necessary.

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## Item 4      Advisory Business

### About the Firm

Plan Group Financial, Inc. is an investment advisory firm located in Oklahoma City, OK. We previously did business as Onstott & Associates, Inc. When offering our services, we may use the doing business as name Burnett Advisors, LLC, Fit Wealth Advisors, or Przybysz Wealth Management. We offer Investment Management and Financial Consultation services to you, our clients. We also offer sub-advisory services to an unaffiliated advisory firm.

Our principal owner is Douglas Claycomb. We began our business in 1996.

### About our Services

Plan Group Financial, Inc., (the "Company,") offers investment advisory services to its customers through Investment Management and Financial Consultations as described below.

Investment Management Services. We provide our investment management services based on the individual goals, objectives, time horizon and risk tolerance of each client. We will typically create a written investment policy statement or asset allocation plan for each client based on information gathered during personal client interviews and / or written questionnaires utilized during the investment management process.

Financial Consulting Services. We offer financial consulting services that primarily involve advising clients on specific financial-related topics. The topics we address may include, but are not limited to, risk assessment/management, investment planning, financial organization, or financial decision making/negotiation.

Should you wish to implement your investment plan, we may recommend you use our investment supervisory services. Based on your investment objectives, we will select investments and transfer your existing assets into appropriate asset classes. We may elect to use the services of third- party managers whose asset management services fit the needs of our clients. In these instances, we will share a percentage of our collected fee with those third-party managers. We retain the ability to hire and fire any third-party managers.

Once your assets are invested, we periodically review your portfolio and make recommendations regarding your allocation or reallocation.

Client Imposed Restrictions and Investment Discretion. Clients may impose restrictions on investing in certain securities or types of securities by requesting these restrictions in writing. Subject to any written guidelines, we will be granted discretionary authority to manage your account. With this discretionary authority, we will be authorized to perform various functions, at your expense, without any further approval from you. Such functions include the determination of securities to be purchased or sold and the number of securities to be purchased or sold.

Sub-Advisory Services. In some circumstances, we offer our services as a sub-advisor to an unaffiliated third-party. In those cases, our clients and the sub-advisory clients may receive the same or different advice and may hold the same or different investments. We act as a portfolio manager to an unaffiliated third-party sponsored wrap fee program. In wrap-fee programs, advisory services and transaction services are provided for one fee. We are compensated as a percentage of assets under management for the sub-advisory services we provide.

Other Services. In some circumstances, we offer other financial planning services to clients that may be outside of our standard services. This may include, but is not limited to, assisting clients with financial planning related to real estate, business endeavors, or legacy planning. While these services are ancillary to our primary business, as we spend time and resources on these activities, we generally receive compensation in performing these services.

Onsite Income Tax Preparation. Plan Group shares its office location with Mr. Peter Terranova, CPA. Mr. Terranova is not

an employee or an associated person of Plan Group. On occasion and based on a client's needs, we may facilitate an introduction with Mr. Terranova and a client. Neither Mr. Terranova nor Plan Group compensate the other party for these introductions. Plan Group may cover part or all the client's costs in utilizing a third-party service provider, including Mr. Terranova's services, at the firm's discretion. Mr. Terranova and Plan Group share in some expenses related to the shared office space. These shared expenses are related to the shared office space arrangement only and are not affected by, nor have an impact on any client doing business with either entity.

We manage client assets. As of December 31, 2023, our discretionary assets under management were \$285,471,605. The firm had no non-discretionary assets under management.

## Item 5 Fees and Compensation

Client fees are payable monthly, in arrears, based upon a percentage of assets under management. While all fees are negotiable, the existing annual fee schedule is listed below.

Fees. For the services rendered to Client by Plan Group, Client agrees that it shall pay the following fees monthly, in arrears, for all assets under management:

<u>Assets Under Management</u>	<u>Annual Fee Percentage</u>
\$ 0 - \$250,000	2.00% per annum*
\$ 250,001 - \$1,000,000	1.75% per annum*
\$1,000,001 - \$5,000,000	1.50% per annum*
\$5,000,001 and above	Negotiated

\*All fees can be negotiated between Plan Group Financial and client with no fee being greater than the above schedule.

Plan Group uses the value of the Client's account as of the last calendar day of each month, multiplied by 1/12 of the annual fee percentage for the account.

Example: End of Month Client Account Value x (2.00%/12) = Monthly Fee

Additional deposits to the account are subject to the same fee schedules unless noted otherwise. No fee adjustments will be made for partial withdrawals and account depreciation.

Termination. Clients may terminate, without penalty, the Adviser's Agreement within five business days of execution of the advisory agreement. Thereafter, either the firm or the client may terminate the advisory agreement by providing written notice. Fees on terminated accounts will be assessed based on the Client's account value as of the day of termination.

Sub-Advisory Fees. As a sub-advisor, we receive a portion of the advisory fee collected by the third-party advisor.

Third-Party Advisors. Plan Group will utilize Perissos Wealth Management ("Perissos"), an unaffiliated third-party

asset manager, to manage certain client assets. Perissos charges 0.50% on client assets managed through Plan Group. This fee is in addition to the advisory fee charged by Plan Group and is paid to Perissos by Plan Group from the advisory fee assessed on your account. This fee is only assessed on those assets being managed by Perissos. The total advisory fee you pay will never exceed the annual fee schedule listed above.

Broker-Dealer Commissions and Fees. Several of our advisory representatives are also registered representatives of Private Client Services, ("PCS"). Through PCS, they will receive compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. If you elect to purchase securities through these representatives in their role as registered representatives, this will not occur in advisory accounts of Plan Group Financial, Inc. but rather in brokerage accounts held at PCS.

This presents a conflict of interest as it gives our advisory representatives incentives to recommend investment products based on the compensation received, rather than on your needs. To address this conflict, our firm reviews a list of broker-dealer activity prior to our advisory representatives being compensated for those broker-dealer activities. Our advisory representatives will not be compensated by Plan Group and by PCS on the same assets.

Fee-Based Financial Plans. In addition to our standard advisory services, our firm may offer fee-based financial planning services to clients. In these situations, the Client has retained Adviser to prepare a written financial plan based on the Client's individual financial needs and circumstances. The Adviser will assist the Client in defining personal financial goals and objectives to be analyzed within one or more of the following areas: retirement planning, investment planning, tax planning, estate planning, charitable planning, and asset protection planning. The financial planning fee is negotiable and is based on a variety of factors reflecting the complexity of the Client's financial situation and needs. The Adviser will base its fees on the expected hours, complexity, and resources involved in preparing the plan. The Client shall pay an upfront deposit of with the remainder of the financial planning fee due upon delivery of the financial plan.

Other Services. As described in Item 4, we may offer financial planning services to clients that may be outside of our standard services. This may include, but is not limited to, assisting clients with financial planning related to real estate, business endeavors, or legacy planning. Similar to our standard fee-based financial planning services, we will ask the client to sign a written agreement pertaining to the circumstances for which we will provide our services and the fee for which we ask in exchange for those services. It is our policy, however, to ensure that we act in the best interest of our clients and in doing so, we will work to ensure that our firm does not charge the Client for the same services on the same assets. Should the situation arise that the Firm or its advisors provide a Client multiple services related to the same or similar assets, we will review the fee agreement and will work to ensure that the fees being charged the client are fair and reasonable with respect to those services.

Additional Fees. In addition to our advisory fees, you may pay additional fees associated with our advice, such as custodial fees and mutual fund fees. You will incur brokerage and other transaction costs. More information about our suggested custodian is in Item 12 of this document. You should review your agreement with the custodian carefully for more information about the custodians' fees and services.

Rollover Recommendations. As part of our investment advisory services to you, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset-based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee-based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of: (1) Leaving the funds in your employer's (former employer's) plan; (2) moving the funds to a new employer's retirement plan; (3) cashing out and taking a taxable distribution from the plan; and/or (4) rolling the funds into an IRA rollover account. Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney. Our recommendations may include any of them, depending on what we feel is in your best interest.

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. As a fiduciary, we are required to document the reason(s) for why the recommendation we made is in your best interest.

## **Item 6      Performance-Based Fees and Side-by-Side Management**

We do not accept performance-based fees.

## **Item 7      Types of Clients**

We typically work with individuals, trusts, estates, and other businesses. We have no minimum account size.

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

### **Investment Strategies**

In addition to traditional asset management, Plan Group ("PGF" or "the firm") designs, implements, and monitors various model strategies. Many PGF clients have assets managed using one or more of these strategies, some of which are exclusive to PGF. We believe that successful investing comes from, but is not limited to, successful asset class diversification and the acceptance of an appropriate level of risk (dependent upon a clients' willingness and ability to take risk) with a long-term time horizon (10+ years). The following is a description of our strategies.

### **Model portfolios**

PGF has developed and implemented a number of model portfolios (portfolios) suitable for clients depending upon a client's goals and individual risk tolerance, which is developed via risk questionnaire and/or via consultation with an advisor. These diversified portfolios may include some combination of publicly traded securities such as: exchange traded funds (ETFs), mutual funds, or individual securities. Portfolios are developed and monitored using a combination of internal and external resources, with portfolios typically rebalanced a minimum of twice, annually.

PGF utilizes both historical returns and capital market assumptions (from various internal and external sources) as inputs in mean variance optimization (MVO), which is employed to develop and maintain its portfolios. Fundamental quantitative analysis along with qualitative analysis is used to monitor both current and prospective portfolio holdings. Certain investment strategies may employ forms of technical analysis and or a combination of Fundamental and Technical analysis.

Fundamental analysis involves the analysis of financial statements, the general financial health of companies, and/or the analysis of management and competitive advantages. This analysis is performed on historical and current data with the goal of making financial forecasts.

Technical analysis involves the analysis of historical and present data, focusing on price and trade volume. This type of analysis involves the use of charting to help identify current trends and trend reversals and seeks to forecast the direction of prices.

As indicated in Item 4, most clients are placed in a model overseen by a financial professional of our firm. The model includes a number of asset classes, including equities, both domestic and international, exchange-traded funds, mutual funds, fixed income, REIT's and commodities, amongst others. Plan Group Financial generally relies on our investment department to manage our core models as well as sub-advisers for specific strategies. All trading for accounts in these programs will generally be conducted by Plan Groups investment or sub-adviser relationship. Our core portfolios are invested in Equities and Fixed Income/Cash. Our equity portion of our portfolios will typically include multiple equity sub classes, including US Large Company, US Mid-Company, US Small Company, Developed International, Emerging Markets, Global Traded & Non-traded Real Estate, Nature Resources and Commodities. The Fixed Income/Cash portion includes multiple sub classes, including US Aggregate Bonds Inflation Protected Bonds, International Bonds, Money Markets, and Ultra-short/short ETF's.

Individual clients can request one-off scenarios as needed. Investment strategies and advice will vary depending upon each client's specific financial situation. We manage households and accounts on a goals-based approach so not every account is comprised of the same asset types. Certain accounts will potentially be more heavily weighted in one sector versus another account in order to diversify the household as a whole or to take advantage of certain tax advantage in having particular types of investments in certain types of accounts. As such, we determine investments and allocations based upon the clients predefined objectives, risk tolerance questionnaire, and suitability factors. The restrictions and guidelines set by the client will also affect the composition of the portfolio.

#### Non-Traded securities / Private placements

Under certain circumstances, PGF may recommend an allocation to select private placements or other non-traded investment vehicles (vehicles), where the investments inside the vehicle are managed by a third-party. The third-party manager may charge fees which are discrete from those agreed to between the client and PGF. Furthermore, the private placement or non-traded investment vehicle may have little to no liquidity such that an investor may be required to maintain their investment until such time that the manager of the investment liquidates the fund/vehicle and returns capital to investors. These types of investments may not be suitable for all clients.

#### Separately Managed Accounts (SMA)

Under certain circumstances, in conjunction with the client, PGF may engage a third party to design and manage a SMA. This may be in order to provide broad or targeted exposure to a select market or investment mandate.

#### Annuities

Periodically, a client or prospective client will ask us to review an annuity where PGF is not the advisor of record in order to form a more complete picture of their overall financial situation. Upon review with the client on an annuity not written by PGF, the firm may become broker of record on an annuity. In certain circumstances, PGF may recommend the purchase of an annuity (fixed or variable) product. Annuity products are primarily employed when a client is seeking principal protection, has a desire to create an income stream, or for tax efficiency.



## **Important Risks**

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, bonds, mutual funds, etc.) involves risk of loss. You should be prepared to bear investment loss including loss of original principal.** Due to the inherent risk of loss associated with investing, our firm is unable to guarantee or imply that our services, methods or analysis or investment strategies will predict future results, identify the best time to buy or sell a security, or protect you from market losses. All investments carry various types of risk, including the potential loss of the entire amount of principal. While infeasible to outline every possible risk, a list of risks, not necessarily in order of importance, is below:

- General Market Risks – Investing involves risk, including the potential loss of principal. The prices of publicly traded securities are subject to market conditions largely outside of the control of PGF.
- Business Risks – Investments in individual companies or sectors may be subject to risks that are uncorrelated to broader market risks (unsystematic risks). For example, a company, sector, or industry may be subject to a regulatory risk that has little to no impact on the broader market as a whole.
- Currency Risks – Investments in securities which seek to provide exposure to a particular region, market, or industry outside of an investor's home country, including individual equities, ETFs, or mutual funds, may expose investors to foreign currency and/or exchange rate risk which impacts the value of said investment
- Financial Risks – Individual companies utilize different capital structures, with more heavily indebted companies potentially increasing the level of financial risk to shareholders
- Political & Regulatory risks – Investments may be subject to risks resulting from a particular political party or regulatory agency. For example, Exploration and Production companies may face additional government and or regulatory oversight that either restricts their ability to develop resources or makes the future development of resources uneconomical.
- Tax risk – Investments in mutual fund products inside a taxable account may result in an investor incurring taxes (both short and long-term capital gains) without any activity in the account. Investors may be exposed to short-term capital gains if investments are held for under one year. PGF may engage in various strategies in an attempt to optimize tax exposures. While all clients are advised to consult their tax professionals regarding the tax impact of transactions, PGF endeavors to invest client funds in a tax efficient manner.
- Inflation risk – Inflation may erode the purchasing power of a currency over time. Some securities, including fixed-rate securities (fixed income and preferred equities) may be more
- Credit/Default risk – Investments in fixed income securities include the risk that an issuer of fixed income securities may receive downgrades by debt ratings agencies which negatively impacts the value of previously issued debt securities. Under certain scenarios, this may include the possibility of default.
- Margin risk – Using "margin" to purchase a security is a form of borrowing, which allows the user to purchase an increased number of shares of a security compared to a traditional long-only purchase. This action exposes the user of margin to increased risk in the event an adverse price movement of said security occurs compared to a more traditional long-only investment.

- Information / Due diligence risk – While PGF performs due diligence prior to the recommendation of any investment strategy, the firm often relies on the truthfulness and accuracy of documents (prospectuses, due diligence questionnaire responses, etc.) provided by external managers for certain investment strategies.
- 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.
- ETF and Mutual Fund Risk – When investing in 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 may also incur brokerage costs when purchasing ETFs.
- Management Risk – Your investment with our firm varies with the success and failure of our investment strategies, research, analysis, and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.
- Third-Party Managers – Although Plan Group will seek to select only money managers who will invest client assets with the highest level of integrity, Plan Group's selection process cannot ensure that money managers will perform as desired and Plan Group will have no control over the day-to-day operations of any selected money manager
- Liquidity risk – Privately held real estate, private equity investments, individual fixed income securities, thinly-traded equity securities, non-traded securities, and other alternative investment products often entail accepting liquidity risk. Liquidity risk is the inability to liquidate/exit an investment and/or liquidation in a timely manner without potentially incurring a significant monetary penalty in order to access their funds.
- Concentration risk – while PGF develops portfolios with diversification a key tenant in its investment approach, underlying holdings may be concentrated in a specific industry, sector, or geography such that an unanticipated event (economic, political/regulatory, etc.) that negatively affects the specific industry, sector, or geography may lead to substantial losses.

## Item 9      Disciplinary Information

Neither the Firm nor any of our management persons have been involved in any events that are material to a client's or prospective client's evaluation of the Firm or the integrity of its management.

## Item 10      Other Financial Industry Activities and Affiliations

Several of our advisory representatives are also registered representatives of Private Client Services, ("PCS"). Through PCS, they will receive compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds. Several advisory representatives are also insurance agents. In this capacity, they will receive commissions if you elect to purchase insurance with their assistance. If you elect to purchase securities or insurance through these representatives in their role as registered representatives or insurance agents, this will not occur in advisory accounts of Plan Group Financial, Inc.

This presents a conflict of interest as it gives our advisory representatives incentives to recommend investment and insurance products based on the compensation received, rather than on your needs. To address this conflict, our firm reviews a list of broker-dealer activity prior to our advisory representatives being compensated for those broker-dealer activities. Our advisory representatives will not be compensated by Plan Group and by PCS on the same assets.

You have the option to purchase investment products or insurance products through other brokers or agents not affiliated with our firm. These activities create a conflict of interest in that our associates have financial incentives to recommend additional products or services to you. We address these conflicts by doing the following:

We must disclose any potential or actual conflicts of interest when dealing with clients.

We are subject to the following specific obligations when dealing with clients:

- The duty to have a reasonable, independent basis for its investment advice;
- The duty to ensure that investment advice is suitable to meeting the client's individual objectives, needs, and circumstances; and,
- A duty to be loyal to clients.

Several of our associates are also independent licensed insurance agents, and from time to time, will offer clients advice or products from those activities. Clients should be aware that these services pay a commission or other compensation and involve a conflict of interest, as commissionable products conflict with the fiduciary duties of a registered investment adviser.

Plan Group always acts in the best interest of the client, including the sale of commissionable products to advisory clients. Clients are in no way required to utilize the services of any representative of Plan Group in connection with such individual's activities outside of Plan Group.

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

We do not, as principals, buy securities for our own accounts from any client or sell securities we own to any client or as a broker or agent effect securities transactions for compensation for any client. Plan Group and persons associated with us are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we acquire for your account.

Because we engage in transactions that are substantially the same as those made for client accounts, conflicts of interest are substantially reduced but still exist. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest. The Code prohibits our personnel from using knowledge about pending or currently considered securities transactions for clients to profit personally, directly or indirectly, as a result of such transactions, including by purchasing or selling such securities.

As a fiduciary, we have a duty of utmost good faith to act solely in the best interests of each of our clients. Our clients entrust us with their funds, which in turn places a high standard on our conduct and integrity. Our fiduciary duty compels all employees to act with the utmost integrity in all our dealings. This fiduciary duty is the core principle underlying this Code of Ethics and Personal Trading Policy and represents the expected basis of all our dealings with our clients.

We have adopted a Code of Ethics for the purpose of instructing our personnel in their ethical obligations and to

provide rules for their personal securities transactions. The Advisor and its personnel owe a duty of loyalty, fairness and good faith towards their clients, and the obligations to adhere not only to specific provisions of the Code but to general principles that guide the Code.

The Code covers a range of topics that may include general ethical principles, reporting personal securities trading, exceptions to reporting securities trading, reportable securities, initial public offerings, and private placements, reporting ethical violations, distributions of the Code, review and enforcement processes, amendments to form ADV and supervisory procedures. The Advisor will provide a copy of the Code to any client or prospective client upon request.

## Item 12 Brokerage Practices

We do not receive any research or other products or services other than execution from a broker-dealer or third party in connection with your securities transactions. Nor do we receive any client referrals from a broker-dealer or third party.

We suggest clients utilize the institutional division of Charles Schwab & Co., Inc., (“the Custodians”), , Fidelity Institutional, or Interactive Brokers, LLC, (collectively “Custodians”) which are registered broker-dealers for custody of their assets and to effect trades for their accounts. We are independently owned and operated and not affiliated with the Custodians. We have selected the Custodians based on the availability of infrastructure, investment products, and institutional trading and custody services. These may not be available to retail customers

For your accounts maintained in their custody, the Custodians do not charge separate fees for custody but are compensated by account holders through commissions or other transaction-related fees for securities trades that are executed through the Custodians.

The Custodians make available to us other products and services that benefit us but may not benefit your accounts. Some of these products and services assist us in managing and administering your accounts. These include software and other technology that provides access to your account data (such as trade confirmations and account statements); facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts); provide research, pricing information and other market data; facilitate payment of our fees from your accounts; and assist with back-office functions, recordkeeping, and client reporting.

Many of these services are used to service all or most of our accounts, including accounts not maintained at the Custodians. The Custodians also make available to us other services intended to help us manage and further develop our business enterprise. These services may include consulting, publications and conference on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, the Custodians may make available, arrange, or pay for these types of services rendered to us by independent third parties. The Custodians may discount or waive fees it would otherwise charge for some of these services or will pay all or part of the fees of a third-party providing these services to us.

While as a fiduciary, we endeavor to act in your best interests, our recommendation that clients maintain their assets in accounts at the Custodians may be based in part on the benefit to us of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage services provided by the Custodians, which may create a conflict of interest.

You are responsible for all fees and/or expenses charged by the custodian of your assets. You may pay fees more expensive than those obtainable from other custodians in return for these services. If you direct us to manage assets with a specific broker/dealer or custodian, you have the sole responsibility for negotiating commission rates and other costs. If you select a specific broker/dealer or custodian, we will not be required to affect any transaction through them if we reasonably believe that to do so may result in a breach of our fiduciary duty.

We may combine orders into block trades when more than one account is participating in the trade. This blocking or bunching technique must be equitable and potentially advantageous for each such account. We engage in block trading when it is consistent with the duty to seek best execution and is consistent with the terms of our investment advisory agreements.

Equity trades are blocked based upon fairness to client, both in the participation of their account, and in the allocation of orders for the accounts of more than one client. Allocations of all orders are performed in a timely and efficient manner. All managed accounts participating in a block execution receive the same execution price (average share price) for the securities purchased or sold in a trading day. Any portion of an order that remains unfilled at the end of a given day will be rewritten on the following day as a new order with a new daily average price to be determined at the end of the following day.

Due to the low liquidity of certain securities, broker availability may be limited. Open orders are worked until they are completely filled, which may span the course of several days. If an order is filled in its entirety, securities purchased in the aggregated transaction will be allocated among the accounts participating in the trade in accordance with the allocation statement. If an order is partially filled, the securities will be allocated pro rata based on the allocation statement. We may allocate trades in a different manner than indicated on the allocation statement (non-pro rata) only if all managed accounts receive fair and equitable treatment.

### Item 13      Review of Accounts

We furnish performance measurement services to you in the form of quarterly evaluation reports. The reports show how your accounts have varied in value and composition. Clients are invited to the office annually for an account review meeting. During the annual review meeting, we will discuss your accounts as well as any changes that have occurred to your investment profile. The level of the specifics involved in the review of accounts is determined by how volatile the investments are in the portfolio. The firm rebalances client accounts periodically to ensure consistency with client objectives.

### Item 14      Client Referrals and Other Compensation

We do not pay anyone for client referrals for our accounts. As a sub-adviser, we receive compensation for providing investment advice on those accounts. The unaffiliated adviser collects the fee and shares a portion of the collected fee with us for our services.

### Item 15      Custody

When we deduct fees directly from client accounts, we are deemed to have limited custody of client's assets and must have written authorization to do so. The qualified custodian of your assets, typically the Custodians, sends monthly statements directly to you. You should carefully review those statement and compare them to any statements you receive from us.

### Item 16      Investment Discretion

We request that you give us discretionary authority to manage your accounts by signing a written power of attorney. You may place reasonable restrictions on the types of securities or on specific securities that we may purchase or sell.

## Item 17 Voting Client Securities

We do not vote proxies on your behalf. You retain that right unless you make other arrangements with the custodian of your assets. You will receive proxies or other solicitations directly from the custodian of your assets. You may contact us with questions about proxies.

## Item 18 Financial Information

We have no financial condition that is reasonably likely to impair our ability to meet contractual commitments to you.