

Torrey Growth & Income Advisors, Form ADV Part 2A

Item 1 – Cover Page

Torrey Growth & Income Advisors

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March 15, 2024

This Part 2A of Form ADV (the "Brochure") provides information about the qualifications and business practices of Torrey Growth & Income Advisors. If you have any questions about the contents of this brochure, please contact George R. Hoover Jr at 760-274-2744 or hooverjr@torreygrowth.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Additional information about Torrey Growth & Income Advisors and its investment adviser representatives is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

This Firm Brochure, dated March 15, 2024, provides you with a summary of Torrey Growth & Income Advisors advisory services and fees, professionals, certain business practices and policies, as well as actual or potential conflicts of interest, among other things. This Item is used to provide our clients with a summary of new and/or updated information; we will inform of the revision(s) based on the nature of the information as follows:

1. Annual Update: We are required to update certain information at least annually, within 90 days of our firm's fiscal year end (FYE) of December 31. We will provide you with either a summary of the revised information with an offer to deliver the full revised Brochure within 120 days of our FYE or we will provide you with our revised Brochure that will include a summary of those changes in this Item.
2. Material Changes: Should a material change in our operations occur, depending on its nature we will promptly communicate this change to clients (and it will be summarized in this Item). "Material changes" requiring prompt notification will include changes of ownership or control; location; disciplinary proceedings; significant changes to our advisory services or advisory affiliates - any information that is critical to a client's full understanding of who we are, how to find us, and how we do business.

The following summarizes new or revised disclosures based on information previously provided in our Firm Brochure dated March 14, 2022:

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Item 4 - Advisory Business

Torrey Growth & Income Advisors, LLC (Torrey Growth & Income) is a registered investment adviser based in Del Mar, California. The firm is a limited liability company organized in the State of California. We have been providing investment advisory services since 2006. George R. Hoover Jr. is the owner of our firm.

The following describes our services and fees. As used in this brochure, the words "we", "our", and "us" refer to Torrey Growth & Income and the words "you", "your", and "client" refer to you as either a client or prospective client of our firm.

INDIVIDUAL PORTFOLIO MANAGEMENT

Our firm provides continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We offer discretionary and non-discretionary portfolio management services. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Clients may impose reasonable restrictions on investing in certain securities, types of securities, or industry sectors.

We primarily offer advice on stocks, exchange traded funds (ETF's), options contracts on stocks, United States governmental securities. We may also provide advice on foreign issuers, warrants, commercial paper, certificates of deposit.

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

IRA ROLLOVER RECOMMENDATIONS

Effective December 20, 2021 (or such later date as the US Department of Labor ("DOL") Field Assistance Bulletin 2018-02 ceases to be in effect), for purposes of complying with the DOL's Prohibited Transaction Exemption 2020-02 ("PTE 2020-02") where applicable, we are providing the following acknowledgment to you. When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are 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. The way we make money creates some conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interest ahead of yours. Under this special rule's provisions, we must:

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

We benefit financially from the rollover of your assets from a retirement account to an account that we manage or provide investment advice, because the assets increase our assets under management and, in turn, our advisory fees. As a fiduciary, we only recommend a rollover when we believe it is in your best interest.

ASSETS UNDER MANAGEMENT

As of March 15, 2024, we were actively managing \$303,038,539 of clients' assets on a discretionary basis.

Item 5 - Fees and Compensation

INDIVIDUAL PORTFOLIO MANAGEMENT FEES

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

Assets Under Management	Equity Annual Fee	Fixed-Income Annual Fee
Up to \$1,000,000	1.100%	0.450%
next \$4,000,000	0.850%	0.400%
next \$5,000,000	0.675%	0.350%
above \$10,000,000	0.500%	0.275%

Our annual portfolio management fee is billed and payable quarterly in advance based on the value of your account on the last business day of the previous quarter. Fees will be debited from the account in accordance with the client authorization in the Discretionary Investment Management Agreement. Our advisory fee is negotiable depending on individual client circumstances. Upon client request, we reserve the right to negotiate other fee paying arrangements. We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- The qualified custodian agrees to send you at least a quarterly statement indicating all amounts dispersed from your account including the amount of the advisory fee paid directly to our firm. You may terminate the portfolio management agreement at any time. We encourage you to reconcile the statements you receive from our firm and the qualified custodian. If you find any inconsistent information within the statements, please call our main office number located on the cover page of this

brochure. Existing clients may be under a different fee schedule that was in existence at the time they joined our firm. Our fees are negotiable at our discretion.

How Our Fees are Calculated

If you have an account balance of \$1,250,000, you are billed 1.100% per year on the first \$1,000,000 and .850% per year on the remaining \$250,000. Here are the calculations for a sample account for a calendar quarter with 90 calendar days:

$$\$1,000,000 \times 1.100\% / 365 = \$30.13 \times 90 \text{ days} = \$2,711.70$$

$$\$250,000 \times 1\% / 365 = \$6.85 \times 90 \text{ days} = \$616.50$$

The total Portfolio Management fee deducted for the quarter will be: \$2,711.70 + \$616.50 = \$3,328.20

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, depending on the custodian. These charges and fees are typically imposed by the custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees or transaction charges imposed by 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, refer to the Brokerage Practices section of this brochure.

Under no circumstances do we require or solicit payment of fees more than \$1,200 in fees six or more months in advance of services rendered.

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

We do not charge or accept performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Fees and Compensation* 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.

Item 7 - Types of Clients

We offer investment advisory services individuals (other than high net worth individuals), high net worth individuals, pension and profit sharing plans (other than plan participants), charitable non-profit organizations, corporations or other businesses.

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

In general, we do not require a minimum dollar amount to open and maintain an advisory account; However, we have the right to terminate your account if it falls below a minimum size which, in our opinion is too small to manage effectively.

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

METHODS OF ANALYSIS

We use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Charting. In this type of technical analysis, we review charts of market and security activity in an attempt to identify when the market is moving up or down and to predict how long the trend may last and when that trend might reverse.

Fundamental Analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Asset Allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. We look at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. We also look at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio. We also monitor the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy.

A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

INVESTMENT STRATEGIES

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

Short-term purchases. When utilizing this strategy, we purchase securities with the idea of selling them within a relatively short time (typically a year or less). We do this in an attempt to take advantage of conditions that we believe will soon result in a price swing in the securities we purchase.

Trading. We purchase securities with the idea of selling them very quickly (typically within 30 days or less). We do this in an attempt to take advantage of our predictions of brief price swings.

Margin transactions. We will purchase stocks for your portfolio with money borrowed from your brokerage account. This allows you to purchase more stock than you would be able to with your available cash, and allows us to purchase stock without selling other holdings.

Option writing. We may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

The two types of options are calls and puts:

- A call gives us the right to buy an asset at a certain price within a specific period of time. We will buy a call if we have determined that the stock will increase substantially before the option expires.
- A put gives us the holder the right to sell an asset at a certain price within a specific period of time. We will buy a put if we have determined that the price of the stock will fall before the option expires.

We will use options to speculate on the possibility of a sharp price swing. We will also use options to "hedge" a purchase of the underlying security; in other words, we will use an option purchase to limit the potential upside and downside of a security we have purchased for your portfolio.

We use "covered calls", in which we sell an option on security you own. In this strategy, you receive a fee for making the option available, and the person purchasing the option has the right to buy the security from you at an agreed-upon price.

We use a "spreading strategy", in which we purchase two or more option contracts (for example, a call option that you buy and a call option that you sell) for the same underlying security. This effectively puts you on both sides of the market, but with the ability to vary price, time and other factors.

A risk of covered calls is that the option buyer does not have to exercise the option, so that if we want to sell the stock prior to the end of the option agreement, we have to buy the option back from the option buyer, for a possible loss.

A risk of spreading strategies is that the ability to fully profit from a price swing is limited.

Risk of Loss. Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk. You should understand that investing in any securities, including mutual funds, involves a risk of loss of both income and principal.

Item 9 - Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 – Other Financial Industry Activities and Affiliations

We do not have any financial industry activities, affiliations or relationships that are material to our advisory business or to our advisory clients.

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

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

We owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

Our Code of Ethics includes policies and procedures for the review of quarterly securities transactions reports as well as initial and annual securities holdings reports that must be submitted by the firm's access persons. Among other things, our Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering. Our code also provides for oversight, enforcement and recordkeeping provisions.

Torrey Growth & Income Code of Ethics further includes the firm's policy prohibiting the use of material non-public information. While we do not believe that we have any particular access to non-public information, all employees are reminded that such information may not be used in a personal or professional capacity.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to hoooverjr@torreygrowth.com, or by calling us at 760-274-2744.

Torrey Growth & Income and individuals associated with our firm are prohibited from engaging in principal transactions.

Torrey Growth & Income and individuals associated with our firm are prohibited from engaging in agency cross transactions.

Our Code of Ethics is designed to assure that the personal securities transactions, activities and interests of our employees will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Our firm and/or individuals associated with our firm may buy or sell for their personal accounts securities identical to or different from those recommended to our clients. In addition, any related person(s) may have an interest or position in a certain security(ies) which may also be recommended to a client.

It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account, thereby preventing such employee(s) from benefiting from transactions placed on behalf of advisory accounts.

We may aggregate our employee trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our employee accounts will be excluded in the pro-rata allocation.

As these situations represent actual or potential conflicts of interest to our clients, we have established the following policies and procedures for implementing our firm's Code of Ethics, to ensure our firm complies with its regulatory obligations and provides our clients and potential clients with full and fair disclosure of such conflicts of interest:

1. No principal or employee of our firm may put his or her own interest above the interest of an advisory client.
2. No principal or employee of our firm may buy or sell securities for their personal portfolio(s) where their decision is a result of information received as a result of his or her employment unless the information is also available to the investing public.
3. It is the expressed policy of our firm that no person employed by us may purchase or sell any security prior to a transaction(s) being implemented for an advisory account. This prevents such employees from benefiting from transactions placed on behalf of advisory accounts.
4. Our firm requires prior approval for any IPO or private placement investments by related persons of the firm.
5. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer.
6. We have established procedures for the maintenance of all required books and records.
7. All of our principals and employees must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
8. We require delivery and acknowledgement of the Code of Ethics by each supervised person of our firm.
9. We have established policies requiring the reporting of Code of Ethics violations to our senior management.
10. Any individual who violates any of the above restrictions may be subject to termination.

Item 12 - Brokerage Practices

Custodians and Brokers

We do not maintain custody of your assets, although we may be deemed to have custody of your assets if you give us authority to withdraw assets from your account (see Item 15 Custody). Your assets must be maintained in an account at a qualified custodian, as defined by the SEC, generally a broker-dealer or bank. We require that our clients use Charles Schwab & Co., Inc. (Schwab), a registered broker-dealer, member SIPC, as the qualified custodian.

We are independently owned and operated and are not affiliated with Schwab. Schwab will hold your assets in a brokerage account and buy and sell securities when we or you instruct them to. While we require that you use Schwab as your custodian, you will decide whether to do so and will open your account with Schwab by entering into an account agreement directly with them with our assistance. Conflicts of interest associated with this arrangement are described below as well as in Item 14 Client Referrals and Other Compensation. You should consider these conflicts of interest when deciding whether to work with us.

We do not open the account for you. However, we are happy to assist you in doing so. If you do not wish to place your assets with Schwab, we may not be able to manage your account. Not all advisors require their clients to use a particular broker-dealer or other custodian selected by the advisor. Even though your account is maintained at Schwab, on occasion Schwab may still use other brokers to execute trades for your account as described below. We anticipate that most trades will be executed through Schwab. (See "Your Brokerage and Custody Costs".)

We use Schwab to hold your assets and execute transactions. When considering whether the terms that Schwab provides are, overall, most advantageous to you when compared with other available providers and their services, we take into account a wide range of factors, including:

- Combination of transaction execution services and asset custody services (generally without a separate fee for custody)
- Capability to buy and sell securities for your account
- Capability to facilitate transfers and payments to and from your account (wire transfers, check requests, bill payment, etc.)
- Breadth of available investment products such as stocks, bonds, mutual funds, and ETFs
- Availability of investment research and tools that assist us in making investment decisions
- Quality of services provided to you and to us
- Competitiveness of the price of those services (commission rates, margin interest rates, other fees, etc.) and willingness to negotiate the prices
- Reputation and financial strength, security and stability
- Prior service to us and our clients
- Services delivered or paid for by Schwab for you and us
- Availability of other products and services that benefit us, as discussed below. (See "Products and Services Available to Us from Schwab")

Your Brokerage and Custody Costs. Schwab generally does not charge our clients separately for custody services but is compensated by charging you commissions or other fees (together "Transaction Fees") on trades that it executes or that settle into your Schwab account. Our arrangement with Schwab means clients do not pay for ETF transactions but clients do pay \$19 for mutual fund transactions. Schwab is also compensated by earning interest on the uninvested cash in your account in Schwab's Cash Features Program. This commitment to Schwab benefits you because the overall fees you pay are lower than they would be otherwise. In addition to minimal commissions charged by Schwab for the buying or selling of individual stocks, Schwab will charge you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that is executed by a different broker-dealer but where the securities bought or the funds from the securities sold are deposited (settled) into your Schwab account. We do not request that Schwab use a particular broker other than Schwab, so trading away at a prime broker would be a very rare occurrence. Because of this, in order to minimize your trading costs, we have Schwab execute most

trades for your account, although we do have the option and may utilize a prime broker if we feel better investments or costs are available elsewhere.

We are not required to select the broker or dealer that charges the lowest transaction cost, even if that broker provides execution quality comparable to other brokers or dealers. Although we are not required to execute all trades through Schwab, we have determined that having Schwab execute most trades is consistent with our duty to seek best execution of your trades. Best execution means the most favorable terms for a transaction based on all relevant factors, including those listed above. By using another broker or dealer you may pay lower or higher Transaction Fees.

Products and Services Available to Us from Schwab. Schwab Advisor Services is Schwab's business serving independent investment advisory firms like us. They provide us and our clients with access to their institutional brokerage services (trading, custody, reporting, and related services), many of which are not typically available to Schwab retail customers. However, certain retail investors may receive institutional brokerage services from Schwab without going through us. Schwab also makes available various support services. Some of those services help us manage or administer our clients' accounts, while others help us manage and grow our business. Schwab's support services are generally available on an unsolicited basis (meaning we do not have to request them) and at no charge to us. Following is a more detailed description of Schwab's support services:

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 do not directly benefit you. Schwab also makes available to us other products and services that benefit us but do not directly benefit you or your account. These products and services assist us in managing and administering our clients' accounts and operating our firm. They include investment research, both Schwab's own and that of third parties. We use this research to service all or a substantial number of our clients' accounts, which can include accounts not maintained at Schwab (for example financial planning clients or retirement accounts). In addition to investment research, Schwab also makes available software and other technology that:

- Provides access to client account data (such as duplicate trade confirmations and account statements)
- Facilitates trade execution and allocate aggregated trade orders for multiple client accounts
- Provides pricing and other market data
- Facilitates payment of our fees from our clients' accounts
- Assists 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
- Consulting on technology and business needs
- Consulting on legal and compliance related needs
- Publications and conferences on practice management and business succession

- Access to employee benefits providers, human capital consultants, and insurance providers
- Marketing consulting and support

Schwab provides some of these services itself and in other cases, Schwab arranges for third-party vendors to provide the services. Schwab discounts or waives its fees for some or all of these services or pays all or a part of a third-party vendor's fees. If you did not maintain your account with Schwab, we would be required to pay for those services from our own resources.

These are educational opportunities that we do utilize. The opportunities provide us with the chance to learn industry practices and compliance requirements to grow our business and stay within the regulatory restrictions. Although helpful to our firm, we do not feel that the benefits are excessive or provide a material conflict of interest that harms our clients. In contrast, these help us stay abreast of providing important services to our clients.

Our Interest in Schwab's Services. The availability of these services from Schwab benefits us because we do not have to produce or purchase them. We do not have to pay for Schwab's services. Schwab has also agreed to pay for certain technology, research, marketing, and compliance consulting products and services on our behalf. These services are not contingent upon us committing any specific amount of business to Schwab in trading commissions or assets in custody. The fact that we receive these benefits from Schwab is an incentive for us to require the use of Schwab rather than making such a decision based exclusively on your interest in receiving the best value in custody services and the most favorable execution of your transactions. This is a conflict of interest. We believe, however, that taken in the aggregate our selection of Schwab as custodian is in the best interests of our clients. Our selection is primarily supported by the scope, quality, and price of Schwab's services and not Schwab's services that benefit only us. The selection of more than one custodian for a firm of our size would require operational resources outside the scope of our capabilities.

Research and Other Soft Dollar Benefits. We do not have any soft dollar arrangements but do receive economic benefits through our relationship with Schwab as described throughout Item 12 Brokerage Practices.

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.

Recommendation of Prime Broker. In some circumstances, where a client has not previously made custodial arrangements, we may suggest that the client use a particular broker-dealer to act as custodian for the funds and securities we manage. In those cases, we generally only recommend broker-dealers capable of acting as a "prime broker." Under "prime broker" arrangements, the firm may, on a transaction-by-transaction basis, either use the "prime broker"/custodian or select other broker-dealers, who will execute transactions for settlement into the client's "prime brokerage" account. In making suggestions as to "prime broker"/custodians, we will consider, among other things, the clearance and settlement capabilities of the broker-dealer where other broker-dealers execute transactions, the broker-dealer's ability to provide effective and efficient reporting to the client and our firm, the broker-dealer's reliability and financial stability, and the likelihood that the broker-dealer will often be chosen as executing broker-dealer on the basis of the considerations described above, including the prospects that the broker-dealer will provide valuable research services and products. Schwab has the capabilities to act as a prime broker.

Directed Brokerage. Clients may direct us to use a particular broker for custodial or transaction services on behalf of the client's portfolio. In directed brokerage arrangements, the client is responsible for negotiating the commission rates and other fees to be paid to the broker. When a client directs brokerage we may be unable to achieve most favorable execution of client transactions, and this practice may cost clients more money and result in a certain degree of delay in executing trades for their account and otherwise adversely impact management of their account. 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.

Aggregated Trades. We do combine multiple orders for shares of the same ETFs purchased for advisory accounts we manage as there are advantages to these "aggregate" or "block" trades. We do not use block trading for most mutual fund transactions since it offers no advantage to our clients. Therefore, we implement client transactions separately for each account for mutual funds. Consequently, in the few instances that we do use individual stocks, certain client trades may be executed before others, at a different price and/or commission rate. Additionally, our clients who purchase individual stocks may not receive volume discounts available to advisers who block client trades.

Mutual Fund Share Classes. Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. When we purchase, or recommend the purchase of, mutual funds for a client, we select the share class that is deemed to be in the client's best interest, taking into consideration cost, tax implications, and other factors. Typically, we purchase "no load" mutual funds for our clients which have lower internal costs than many other share classes. Internal fees (costs) impact your rate of return. Higher internal fees have a negative effect on your investment's rate of return over time. When the fund is available for purchase at net asset value, we will purchase, or recommend the purchase of, the fund at net asset value. We also review the mutual funds held in accounts that come under our management to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent deferred sales charges.

Please see Item 5 Fees and Compensation, *Additional Fees and Expenses* for additional details.

Item 13 – Review of Accounts

George R. Hoover Jr. will monitor your accounts on an ongoing basis and will conduct account reviews at least annually to ensure the advisory services provided to you are consistent with your investment needs and objectives. 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. Such account reviews will be reviewed with the client, and not typically in the form of a written report unless specified by the client. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Item 14 – Client Referrals and Other Compensation

It is our policy not to engage solicitors or pay related or non-related persons for referring potential clients to our firm. We do not accept or allow our related persons to accept any form of compensation. For information on the conflicts of interest this presents, and how we address these conflicts, refer to the Fees and Compensation section. We do not compensate individuals and/or entities (together "Solicitors") for client referrals.

Item 15 - Custody

As paying agent for our firm, your independent custodian will directly debit your account(s) for the payment of our advisory fees. 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 qualified custodian. You will receive account statements from the 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. Upon request, we will provide statements to you reflecting the amount of the advisory fee deducted from your account. You should compare our statements with the statements from your account custodian(s) to reconcile the information reflected on each statement. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, contact us immediately at the telephone number on the cover page of this brochure.

Item 16 - Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary management agreement and the appropriate trading authorization forms. If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

Item 17 - Voting Client Securities

We vote proxies for all client accounts; however, you always have the right to vote proxies yourself. You can exercise this right by instructing us in writing to not vote proxies in your account.

We will vote proxies in the best interests of its clients and in accordance with our established policies and procedures. Our firm will retain all proxy voting books and records for the requisite period of time, including a copy of each proxy statement received, a record of each vote cast, a copy of any document created by us that was material to making a decision how to vote proxies, and a copy of each written client request for information on how the adviser voted proxies. If our firm has a conflict of interest in voting a particular action, we will notify the client of the conflict and retain an independent third-party

to cast a vote.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting George R Hoover Jr. by telephone, email, or in writing. Clients may request, in writing, information on how proxies for his/her shares were voted. If any client requests a copy of our complete proxy policies and procedures or how we voted proxies for his/her account(s), we will promptly provide such information to the client.

We will neither advise nor act on behalf of the client in legal proceedings involving companies whose securities are held in the client's account(s), including, but not limited to, the filing of "Proofs of Claim" in class action settlements. If desired, clients may direct us to transmit copies of class action notices to the client or a third party. Upon such direction, we will make commercially reasonable efforts to forward such notices in a timely manner.

Item 18 – Financial Information

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts. Further, we do not require the prepayment of more than \$1,200 in fees six or more months in advance, nor have we filed a bankruptcy petition at any time in the past ten years. Therefore, we are not required to include a financial statement with this brochure.

Item 19 – Requirements for State-Registered Advisers

We are a federally registered investment adviser; therefore, we are not required to respond to this item.

Item 20 - Additional Information

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 non-affiliated 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. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Contact our main office at the telephone number on the cover page of this brochure 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.