

## AG FINANCIAL, LLC

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This Brochure provides information about the qualifications and business practices of AG Financial, LLC. If you have any questions about the contents of this Brochure, you may contact us at (801) 990-3470 or [agraham@agfweb.com](mailto:agraham@agfweb.com) to obtain answers and additional information. AG Financial, LLC is a registered investment adviser with the United States Securities and Exchange Commission (“SEC”). Registration of an investment adviser does not imply any level of skill or training. The information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about AG Financial, LLC is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The firm’s CRD number is 140226.

## Item 2 – Material Changes

This Brochure contains the following material changes since our previous annual updating amendment dated March 13, 2023:

- We have updated Item 12 of this Brochure to reflect that we now recommend that Clients engage the custodial and trade execution services of Charles Schwab & Co., Inc. (“Schwab”), rather than TD Ameritrade, Inc. (“TD”). The prior version of this Brochure stated that we had recommended TD for these services. Schwab acquired TD in 2019 and the two firms combined operations in 2023. Accordingly, Schwab has replaced TD on United Planners’ approved list of approved custodial and brokerage firms. Please see Item 12 for more information regarding our brokerage practices.

We will ensure that all current clients receive a Summary of Material Changes (if any) to this and subsequent Brochures within 120 days of the close of our business’ fiscal year. A Summary of Material Changes is also included with our Brochure on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The searchable IARD/CRD number AG Financial is 140226. We may further provide other ongoing disclosure information about material changes as necessary and will further provide you with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, our Brochure may be requested by contacting us at (801) 990-3470 or via email to [agraham@agfweb.com](mailto:agraham@agfweb.com). Our Brochure is provided free of charge.

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#### Item 4 – Advisory Business

- A** AG Financial, LLC (“AGF,” “firm,” “we,” “our,” and “us”) is an SEC registered investment advisory firm based in Salt Lake City, Utah. We provide fee-only investment supervisory and consulting services. The firm has been in business since 2006. The principal owner of the firm is Aaron B. Graham. Our investment advisory services are driven by and coordinated with each Client’s (“Client,” “you,” and “your”) individual financial goals. Our approach uses broadly diversified portfolios and a systematic strategy to manage investments.
- B, C** We help Clients coordinate and prioritize their financial lives with all aspects of their life goals. Our investment advisory services include development of Client specific strategic asset allocation plans, security and investment product (or manager) due diligence and recommendations, investment implementation, monitoring and portfolio rebalancing activities, ongoing supervision of investments, and regular Client investment and performance reporting.

Advice and services are tailored to the stated objectives of the Client(s). We discuss with the Client in detail critically important information such as the Client’s risk tolerance, time horizon, and projected future liquidity needs, current holdings, tax considerations, personal market views, and other factors to formulate an investment policy. This policy guides us in objectively and suitably managing the Client’s account. We meet with Clients as needed to review portfolio performance, discuss current issues, and re-assess goals and plans. Client input and involvement are critical parts of the financial planning process and implementation of investment decisions.

Clients may impose restrictions on investing in certain securities or types of securities. We consider such restrictions when preparing a unique Investment Policy Statement for the Client.

See Item 8 for a detailed description of our investment strategy.

We also provide services to pension and profit sharing plans. The typical services we offer these clients include selection of investments, assessment of investments, and providing advice and general education to individual participants. We may select investment options for plans to make available to their participants and may include an evaluation of alternatives for the plan’s Qualified Default Investment Alternatives, however, the final decision regarding investments remains with the responsible plan fiduciary. Additionally, per the request of the responsible plan fiduciary, we may conduct a periodic review of investments and investment options. Reviews may be conducted on a quarterly, semi-annual, or annual basis. Finally, we may also meet with plan participants regarding contributions and allocations among available investment options within the Plan.

We follow strict fiduciary standards, putting our Clients’ interests before our own and seeking to avoid conflicts of interest with our Clients.

- D** We do not manage, sponsor, or recommend any wrap fee programs to Clients.
- E** We manage \$104,609,019 of Client assets on a discretionary basis and \$766,470 of Client assets on a non-discretionary basis. These amounts were calculated as of December 31, 2023.

#### **Item 5 – Fees and Compensation**

- A** We provide investment supervisory and consulting services to Clients. Depending on the services provided, fees are based on a percentage of assets under management (“AUM”) or a fixed-fee basis. Fees are generally negotiable.

AGF utilizes the following tiered fee schedule:

<u><b>Assets Under Management</b></u>	<u><b>Annual Fee</b></u>
Up to \$500,000	1.75%
\$500,001 to \$1,000,000	1.50%
\$1,000,001 and \$2,500,000	1.25%
Over \$2,500,000	Negotiable

We may occasionally provide investment consulting on a limited engagement (project) basis. Projects will be based on a fixed-fee rate. Fees will be determined based on the complexity and scope of the analysis or services requested.

- B** AUM fees are charged quarterly in advance based upon the market value of the Client’s account at the end of the quarter. Market value means the value of all assets in the account (not adjusted by any margin debit). To determine value, securities and other instruments traded on a market for which actual transaction prices are publicly reported shall be valued at the last reported sale price on the principal market in which they are traded (or, if there shall be no sales on such date, then at the mean between the closing bid and asked prices on such date). Other readily marketable securities and other instruments shall be priced using a pricing service or through quotations from one or more dealers. All other assets shall be valued at fair value by AGF whose determination shall be conclusive. We may modify the terms of the fee agreement with Clients by giving Clients thirty (30) days’ written notice in advance. Fees are paid directly to us from the account by the custodian upon our submission of an invoice to custodian. Payment of fees may result in the liquidation of the Client’s securities if there is insufficient cash in the account.

Payment of fixed fee projects shall be made as agreed by the parties. Under no circumstances will the Client be required to prepay fees more than six (6) months in advance of our rendering of services.

- C** Our fees are exclusive of transaction fees, custodial fees, and direct investment manager fees for all Client investments, including for example brokerage commissions, custodial fees, management fees or costs of mutual funds, exchange traded funds, managed accounts,

investment partnerships or similar. Please see Item 12 of this Brochure for information regarding our brokerage practices.

While our fees include the time and activities necessary for the firm to coordinate and communicate with third party advisors (such as lawyers, accountants, insurance specialist and similar professionals), our fees are exclusive of the fees and costs of any third party advisors engaged by the Client.

- D** Clients pay investment advisory fees quarterly, in advance. New accounts are pro-rated from the time we begin charging a fee to the Client. Fees for partial quarters at the commencement or termination of an agreement will be billed or refunded on a pro-rated basis contingent on the number of days the account was open during the quarter. Quarterly fee adjustments for additional assets received into the account during a quarter or for partial withdrawals will also be provided on the above pro-rata basis.

Fixed fee projects are paid as agreed, but generally Clients are required to pay at least a portion of a fixed fee project in advance.

Either party may terminate an agreement for services upon thirty (30) days' prior written notice to the other. In the event of termination, any prepaid but unearned fees will be promptly refunded to the Client. Any fees that have been earned by AGF but not yet paid by the Client will be due and payable. We may modify the terms of the fee agreement by giving Clients thirty (30) days' written notice in advance.

- E** Aaron Graham and Gregory Oda are licensed as independent insurance agents. Both Mr. Graham and Mr. Oda are also registered representatives of United Planners Financial Services of America ("United Planners"), an unaffiliated independent broker-dealer based in Scottsdale, Arizona.

Securities and insurance related business is transacted with advisory Clients, and individuals associated with AGF may receive commissions from securities and insurance products sold to Clients. Clients are advised that the fees paid to AGF for investment advisory services are separate and distinct from the commissions earned by any individual for selling insurance and/or securities products to Clients.

The receipt of commissions by individuals associated with the firm presents a conflict of interest. As fiduciaries, we must act primarily for the benefit of our investment advisory Clients. As such, we will only transact insurance or securities related business with Clients when fully disclosed, suitable, and appropriate. Further, we must determine in good faith that any commissions paid to our representatives are appropriate. Clients are informed that they are under no obligation to use any individual associated with AGF for the purchase of insurance or securities products or services. Clients may use any insurance or brokerage firm or agent of their preference.

If a commission is to be paid for the sale of an insurance product or securities, we will disclose the rate of the commission to be paid. Oftentimes, we will not know the actual dollar amount

of the payment before it is received but will disclose the amount received if requested. We cannot rebate commissions received for the sale of a product back to a Client. Nor are we allowed to discount the price of a product to make up for any commission that may be received for its sale.

#### Rollover Recommendations

As part of our investment advisory services to you, we may recommend that you roll assets from your employer's retirement plan, such as a 401(k), 457, or ERISA 403(b) account (collectively, a "Plan Account"), to an individual retirement account, such as a SIMPLE IRA, SEP IRA, Traditional IRA, or Roth IRA (collectively, an "IRA Account") that we will manage on your behalf. We may also recommend rollovers from IRA Accounts to Plan Accounts, from Plan Accounts to Plan Accounts, and from IRA Accounts to IRA Accounts. When we provide any of the foregoing rollover recommendations we are acting as fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code ("IRC"), as applicable, which are laws governing retirement accounts.

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 advisory agreement you executed with our firm. This creates a conflict of interest because it creates a financial incentive for our firm to recommend the rollover to you (*i.e.*, receipt of additional fee-based compensation). 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. Due to the foregoing conflict of interest, when we make rollover recommendations, we operate under a special rule that requires us to act in your best interests and not put our interests 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 interests;
- charge no more than a reasonable fee for our services; and
- give you basic information about conflicts of interest.

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 a rollover.

Note that an employee will typically have four options in this situation:

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; or
4. rolling the funds into an IRA rollover account.

Each of these options has positives and negatives. Because of that, along with the importance of understanding the differences between these types of accounts, we will provide you with a written explanation of the advantages and disadvantages of both account types and the basis for our belief that the rollover transaction we recommend is in your best interests.

As an alternative to providing you with a rollover recommendation, we may instead take an entirely educational approach in accordance with the U.S. Department of Labor's Interpretive Bulletin 96-1. Under this approach, our role will be limited only to providing you with general educational materials regarding the pros and cons of rollover transactions. We will make no recommendation to you regarding the prospective rollover of your assets and you are advised to speak with your trusted tax and legal advisors with respect to rollover decisions. As part of this educational approach, we may provide you with materials discussing some or all of the following topics: the general pros and cons of rollover transactions; the benefits of retirement plan participation; the impact of pre-retirement withdrawals on retirement income; the investment options available inside your Plan Account; and high level discussion of general investment concepts (*e.g.*, risk versus return, the benefits of diversification and asset allocation, historical returns of certain asset classes, etc.). We may also provide you with questionnaires and/or interactive investment materials that may provide a means for you to independently determine your future retirement income needs and to assess the impact of different asset allocations on your retirement income. You will make the final rollover decision.

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

We do not charge any performance-based fees for our services, nor do we engage in side-by-side management of accounts. Accordingly, this item is not applicable to our firm.

#### **Item 7 – Types of Clients**

We provide investment advice to individuals, businesses, pension and profit sharing plans, trusts, estates and other charitable organizations. Because each Client is unique, they must be willing to be involved in the planning and ongoing processes. Such involvement does not have to be time consuming, however we want our Clients to remain informed and have a sense of security about their investments.

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

We evaluate and recommend securities and other investment products and offerings of unaffiliated third party investment managers and firms. We generally offer advice on investments such as:

- ◆ Equity securities such as:
  - Exchange-listed securities



- Securities traded over-the-counter
- ◆ Corporate debt securities
- ◆ Commercial paper
- ◆ Certificates of deposit
- ◆ Municipal securities
- ◆ Investment Company securities such as:
  - Variable Life Insurance
  - Variable Annuities
  - Mutual Fund shares
- ◆ United States government securities
- ◆ Option Contracts
- ◆ Investments in Partnerships investing in:
  - Real Estate
  - Oil and Gas interests

These investments are intended to provide diversification across and within asset classes, as appropriate for each individual Client. In certain circumstances, we may also report on or provide report summaries on investments that were not recommended by us, and/or are not part of a Client's recommended portfolio (e.g., legacy investment holdings of the Client).

Our methods of analysis, sources of information, and investment strategies vary substantially by security or product type, asset class, investment risk, and other factors. In addition to traditional methods such as fundamental and technical analysis, our analysis and sourcing may be supported by manager site visits, phone calls, correspondence or other means of direct and indirect communication with skilled investment managers, third party opinions, experiences and references, investment conference materials, and continuing education courses. Some managers or products may be sourced by us through unrelated intermediaries. These intermediaries are not compensated by us, but they may be compensated by the product manager for the referral or placement.

Other sources of information we rely upon when researching and analyzing securities include traditional research materials such as financial newspapers and magazines, annual reports, prospectuses, filings with the SEC, as well as research materials prepared by others, and company press releases. We also subscribe to various professional publications deemed to be consistent and supportive of our investment philosophy.

The primary investment strategies used to implement investment advice given to Clients include long-term (securities held at least one year) and short-term (securities sold within a year) purchases. Trading (securities held less than 30 days) strategies may also be implemented from time to time. Investment securities and strategies are implemented in consideration of the Client's risk management and risk reduction objectives, rather than for speculation. Securities and strategies have varying degrees of risk and will only be recommended when suitable and appropriate for a particular Client's situation.

As fiduciaries to our Clients, we use our best judgment and good faith efforts in rendering services. However, any investing in securities involves risk of loss that Clients should be prepared to bear. Not every investment decision or recommendation made by us will be profitable. We cannot warrant or

guarantee any particular level of investment performance, or that any investment will be profitable over time.

Clients assume all market risk involved in the investment of account assets. Investments are subject to various market, currency, economic, political and business risks.

Except as may otherwise be provided by law, we are not liable to Clients for:

- ◆ Any loss that Clients may suffer by reason of any investment recommendation we made with that degree of care, skill, and diligence under the circumstances that a prudent person acting in a fiduciary capacity would use; or
- ◆ Any act or failure to act by a custodian of Client accounts.

It is the responsibility of the Client to give us complete information and to notify us of any changes in financial circumstances or goals.

### **Item 9 – Disciplinary Information**

We are required to disclose all material facts regarding any legal or disciplinary event that would be material to your evaluation of our firm or the integrity of our management. No principal or person associated with our firm has any information to disclose which is applicable to this Item.

### **Item 10 – Other Financial Industry Activities and Affiliations**

As disclosed in Item 5, above, Aaron Graham and Gregory Oda are also licensed as registered representatives with United Planners. United Planners is a broker-dealer firm not related or affiliated with AGF. Mr. Graham and Mr. Oda are also licensed as independent insurance agents.

The conflicts of interest associated with the above arrangements and how these conflicts are addressed are described in Item 5E, above.

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

- A** AGF has a Code of Ethics which all employees are required to follow. The Code of Ethics outlines our high standard of business conduct, and fiduciary duty to Clients. The Code of Ethics includes provisions relating to the confidentiality of Client information, a prohibition on insider trading, a prohibition of rumor mongering, restrictions on the acceptance of significant gifts, the reporting of certain gifts and business entertainment items, and personal securities trading procedures, among other things.

A copy of the Code of Ethics is available to any Client or prospective Client free of charge upon request. Our Clients or prospective Clients may request a copy of the firm's Code of Ethics by contacting us at (801) 990-3470 or [agraham@agfweb.com](mailto:agraham@agfweb.com).

**B-D** We do not own or manage any companies or investments that we advise our Clients to buy.

AGF or individuals associated with us buy and sell some of the same securities for their own account that we buy and sell for Clients. When appropriate, we will purchase or sell securities for Clients before purchasing the same for our account or allowing representatives to purchase or sell the same for their own account. In some cases, AGF or representatives may buy or sell securities for their own account for reasons not related to the strategies adopted for our Clients. Employees and other persons associated with us are required to follow the Code of Ethics when making trades for their own accounts in securities which are recommended to and/or purchased for Clients. The Code of Ethics is designed to ensure that the personal securities transactions will not interfere with making decisions in the best interest of advisory Clients while at the same time, allowing employees to invest for their own accounts.

We will disclose to advisory Clients any material conflict of interest relating to us, our representatives, or any of our employees which could reasonably be expected to impair the rendering of unbiased and objective advice.

Because any advisory situation could present a conflict of interest, we have established the following restrictions to ensure our fiduciary responsibilities:

1. A director, officer, associated person, or employee of AGF shall not buy or sell securities for his personal portfolio where his decision is substantially derived, in whole or in part, by reason of his employment unless the information is also available to the investing public on reasonable inquiry. No person of AGF shall prefer his or her own interest to that of the advisory Client.
2. We maintain a list of all securities holdings for AGF and for anyone associated with our practice with access to advisory recommendations. An appropriate officer of AGF reviews these holdings on a regular basis.
3. Any individual not in observance of the above may be subject to termination.

## **Item 12 – Brokerage Practices**

**A** Clients' assets are held in their name by independent third-party custodians of the Client's selection. Clients engage their desired custodian(s) by executing the appropriate account opening documentation of the custodian(s), and in doing so, authorize our firm to direct the execution of transactions for the Client's account through such custodian(s).

As disclosed under Items 5 and 10 above, Aaron Graham and Gregory Oda ("Related Parties") are registered representatives of United Planners. United Planners has an established list of custodial and/or brokerage firms through which their representatives may transact business. As such, AGF may only transact business through these same firms for its advisory Clients. We make it a practice to disclose to Clients the limitation regarding firms we may utilize for brokerage or custodial transactions. Unless the Client directs otherwise, we may use our

discretion in recommending broker-dealers to our Clients. Clients are not obligated to effect transactions through any broker-dealer firms recommended by us and may utilize any firm on United Planners' approved list.

As of the date of this Brochure, we typically recommend that our Clients engage the custodial and trade execution services of Charles Schwab & Co., Inc., 3000 Schwab Way, Westlake, Texas 76262 ("Schwab"), an independent SEC-registered broker-dealer and Member FINRA/SIPC. Conflicts of interest associated with our recommendation of Schwab to Clients are described below as well as in Item 14 of this Brochure. You should consider these conflicts of interest when selecting your custodian.

We are not affiliated with Schwab and they do not monitor or control the activities of our firm or its personnel. Schwab will act solely as a custodian and/or broker-dealer and not as your investment advisor. They will hold your assets in a brokerage account or accounts and buy and sell securities and execute other transactions when instructed to do so by you or AGF. We do not have the discretion to determine the commission rates at which transactions are to be affected for your account and we may recommend that you engage different custodians and/or executing brokers in the future. The commission rates, custodial fees, and other charges Schwab will charge you in connection with acting as the custodian and executing broker for your accounts are set forth in Schwab's account opening documentation.

In recommending broker-dealers, we have an obligation to seek the "*best execution*" of transactions for our Clients. This duty requires us to seek to execute securities transactions for Clients such that the total costs or proceeds in each transaction are the most favorable under the circumstances. The determinative factor in the analysis of best execution is not the lowest possible commission cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of the recommended broker-dealer's services. Some of the factors we may consider when evaluating a broker-dealer for best execution include, without limitation, the broker-dealer's execution and custodial capabilities, commission rates, financial responsibility, responsiveness and customer service, research services/ancillary brokerage services provided, and other factors that we consider relevant.

Therefore, we will seek competitive commission rates, but we may not obtain the lowest possible commission rates for specific account transactions. With this in consideration, we will continue to recommend that clients engage Schwab until their services do not result, in our opinion, in the best execution of Client transactions.

If you select a custodian other than Schwab for custody and execution of transactions (*i.e.*, client directed brokerage), you are advised that we may be unable to seek best execution of your transactions and your commission costs may be higher than those experienced by Clients who elect to utilize our recommended custodian (*i.e.*, Schwab). For example, in a directed brokerage account, you may pay higher brokerage commissions and/or receive less favorable prices on the underlying securities purchased or sold for your account because we may not be able to aggregate your order with the orders of other Clients. In addition, where you direct brokerage, we may place orders for your transactions after we place transactions for Clients using our recommended custodian. We reserve the right to reject your request to use a

particular custodian other than Schwab if we determine that such selection would frustrate our ability to manage your account.

The custodians we recommend to Clients, including Schwab, may provide us with certain brokerage and research products and services that qualify as “brokerage or research services” under Section 28(e) of the Securities Exchange Act of 1934 (“Exchange Act”). This is commonly referred to as a “*soft dollar*” arrangement. These research products and/or services will assist us in our investment decision making process. Such research generally will be used to service all of our Client accounts, but brokerage charges paid by the Client may be used to pay for research that is not used in managing that specific Client’s account. Your account may pay to a broker-dealer a charge greater than another qualified broker-dealer might charge to affect the same transaction where we determine in good faith that the charge is reasonable in relation to the overall value of the brokerage and research services received.

#### BENEFITS RECEIVED FROM SCHWAB

Schwab Advisor Services™ is Schwab’s business serving independent investment advisory firms like AGF. They provide us and our Clients with access to institutional brokerage— trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. Schwab also makes available to us 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 generally are available on an unsolicited basis (we don’t have to request them) and at no charge to us as long as our Clients collectively maintain a minimum value of assets with Schwab. Below is a more detailed description of Schwab’s support services.

#### SERVICES THAT BENEFIT CLIENTS

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 AGF 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 Clients and their accounts.

#### SERVICES THAT MAY NOT DIRECTLY BENEFIT CLIENTS

Schwab also makes available to AGF other products and services that benefit us but may not directly benefit our Clients. These products and services assist us in managing and administering our Clients’ accounts. They include investment research, both Schwab’s own and that of third parties. We may use this research to service all or a substantial number of our Clients’ accounts, including accounts not maintained at Schwab. In addition to investment research, Schwab also makes available software and other technology that provides access to Client account data (such as duplicate trade confirmations and account statements); facilitates trade execution; provides pricing and other market data; facilitates payment of our advisory fees from our Clients’ accounts; and assists us 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 access to educational conferences and events; consulting on technology, compliance, legal, and business needs; access to publications and conferences on practice management and business succession; and access to employee benefits providers, human capital consultants, and insurance providers.

Schwab may provide some of the above services itself. In other cases, it will arrange for third-party vendors to provide the services to us. Schwab may discount or waive its fees for some or all of these services. The research and brokerage services provided to AGF by Schwab qualify for the safe harbor exemption defined in Section 28(e) of the Exchange Act.

The aforementioned research and brokerage services are used by AGF to manage some or all of its Client accounts. Without these arrangements, AGF might be compelled to purchase the same or similar services at its own expense. As part of our fiduciary duty to Clients, AGF endeavors at all times to put the interests of our Clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our related persons creates a conflict of interest and may indirectly influence our recommendation of Schwab to Clients. AGF examined this potential conflict of interest in choosing to recommend Schwab and has determined that the recommendation of Schwab is in the best interests of our Clients and satisfies our fiduciary obligations, including our duty to seek best execution.

Schwab does not make Client brokerage commissions generated by Client transactions available for our firm's use.

AGF does not receive client referrals from Schwab in exchange for directing client transactions through Schwab.

**B** We may aggregate trades for Clients. The allocations of a particular security will be determined by us before the trade is placed with the broker. When practical, Client trades in the same security will be bunched in a single order (*i.e.*, a “block”) in an effort to obtain best execution at the best security price available. When employing a block trade:

- We will make reasonable efforts to attempt to fill Client orders by day-end.
- If the block order is not filled by day-end, we will allocate shares executed to underlying accounts on a pro rata basis, adjusted as necessary to keep Client transaction costs to a minimum.
- If a block order is filled (full or partial fill) at several prices through multiple trades, an average price and commission will be used for all trades executed;
- All participants receiving securities from the block trade will receive the average price.
- Only trades executed within the block on the single day may be combined for purposes of calculating the average price.

It is expected that this trade aggregation and allocation policy will be applied consistently. However, if application of this policy results in unfair or inequitable treatment to some or all of our Clients, we may deviate from this policy.

### **Item 13 – Review of Accounts**

- A** While the underlying securities within accounts are continually monitored, Client accounts are formally reviewed at least annually. Accounts are reviewed in the context of each Client's stated investment objectives and guidelines.

A Relationship Manager is assigned as the primary representative to a particular Client's account. All Relationship Managers are an Investment Advisor Representative ("IAR") of AGF. Relationship Managers assigned to a particular Client's account will be responsible for the periodic reviews of that account. Clients will be provided with the Supplemental Brochure (Form ADV Part 2B) of any Relationship Manager/IAR providing advice related to their account.

- B** More frequent reviews may be triggered by a change in the Client's investment objectives, tax considerations, large deposits or withdrawals, large sales or purchases, loss of confidence in corporate management, or changes in the economic climate.

- C** Investment advisory Clients receive standard account statements from the custodian of their accounts on either a monthly or quarterly basis. We also provide Clients with a written report summarizing the account activity and performance generally quarterly. Along with these reports, we discuss the comparative performance of the Client's portfolio with that of selected market indices identified as a benchmark for the Client's account, as well as asset allocation of the Client's portfolio compared to portfolio target allocations.

Consulting Services Clients will not typically receive reports or formal reviews due to the nature of the service.

### **Item 14 – Client Referrals and Other Compensation**

- A** As disclosed under Items 5, 10 and 12 above, representatives of AGF are licensed as registered representatives with United Planners and are also independently licensed to sell insurance. The conflicts of interest these arrangements present and how we deal with these conflicts are described in detail under Item 5E, above.

As referenced in Item 12 above, Schwab provides services and products to AGF without cost or at a discount that we may use to service some or all of our Client accounts. We may enter into similar arrangements with other broker-dealers and custodians in the future. As part of its fiduciary duties to Clients, AGF endeavors at all times to put the interests of its Clients first. Clients should be aware, however, that the receipt of economic benefits by our firm and/or our associated persons in and of itself creates a potential conflict of interest and may indirectly influence our choice to recommend that clients engage Schwab for trade execution

and custodial services. The conflicts of interest presented by the foregoing arrangement and how we mitigate them are described in detail under in Item 12, above.

- B** Except as disclosed above in this Item 14, AGF does not directly or indirectly compensate or receive compensation from any third parties in connection with the advisory services we provide to Clients.

### **Item 15 – Custody**

With the exception of our ability to debit fees from client accounts, and the ability to disburse or transfer certain funds pursuant to Standing Letters of Authorization executed by Clients, we do not otherwise have custody of securities or assets in Client accounts.

We shall have no liability to the Client for any loss or other harm to any property in the account, including any harm to any property in the account resulting from the insolvency of the custodian or any acts of the agents or employees of the custodian and whether or not the full amount or such loss is covered by the Securities Investor Protection Corporation (“SIPC”) or any other insurance which may be carried by the custodian. Clients are advised that the SIPC provides only limited protection for the loss of property held by a custodian (including Schwab).

Clients receive standard account statements from the custodian of their accounts on a monthly or quarterly basis. We also may provide Clients with written reports summarizing account activity and performance. We urge all Clients to carefully review statements received from the custodian and compare these to the reports that we may provide to you. Our reports may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

### **Item 16 – Investment Discretion**

Generally, Clients grant us ongoing and continuous discretionary authority to execute our investment recommendations in accordance with their Investment Policy Statement (or similar document used to establish each Client’s unique investment objectives and suitability) without the Client’s prior approval of each specific transaction. Under this discretionary authority, the Client allows us to purchase and sell securities and instruments in their account(s), arrange for delivery and payment in connection with the foregoing, select and retain sub-advisors, and act on their behalf in matters necessary or incidental to the handling of the account, including monitoring certain assets.

In some limited circumstances, Clients grant us non-discretionary authority to execute investment recommendations. Non-discretionary authority requires us to obtain a Client’s approval for specific transactions prior to instructing the Client’s custodian to execute such transactions.

We make it a practice to contact our Clients periodically to determine if there are any limitations they wish to place upon our discretionary or non-discretionary authority.



### **Item 17 – Voting Client Securities**

- A** We do not vote proxies on behalf of our Clients. Additionally, we do not provide advice to Clients on how the Client should vote.
- B** Clients will receive proxies and other solicitations directly from their custodian or transfer agent. If any proxy materials are received by AGF on behalf of a Client, they will be sent directly to the Client or a designated representative of the Client, who is responsible for voting the proxy.

### **Item 18 – Financial Information**

- A** We do require advisory fees to be paid in advance. However, we do not require the prepayment of fees in an amount greater than \$1,200 more than six months in advance from any Client.
- B** AGF has discretionary authority over Client funds and securities. We have no financial commitments that impair our ability to meet our contractual and fiduciary commitments to our Clients.
- C** Neither AGF, nor any of its principals, have ever been the subject of a bankruptcy petition.