

## ITEM 1: COVER SHEET



**MARSHALL FINANCIAL  
GROUP**

**ADV Part 2A Firm Brochure  
The Marshall Financial Group LLC**

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March 1, 2024

This brochure provides information about the qualifications and business practices of The Marshall Financial Group LLC. If you have any questions about the contents of this brochure, please contact us at the telephone number and/or e-mail address above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or any state securities authority.

The Marshall Financial Group LLC is a registered investment advisor. Registration of an investment advisor does not imply any level of skill or training. The verbal and written communications of an investment adviser provide you with information you need to determine whether to hire or retain the advisor.

Additional information about The Marshall Financial Group LLC is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The Firm's CRD number is 146362.

## ITEM 2: MATERIAL CHANGES

### **The Marshall Financial Group LLC**

This is the firm's Annual Amendment of the ADV Part 2A or Firm Brochure. This amendment describes any material changes relating to The Marshall Financial Group, LLC that clients should be aware of since the last annual updating amendment of this brochure dated 01/19/2023. The Marshall Financial Group, LLC wants to make you aware of the following material changes:

The firm is no longer affiliated with American Financial Management, Ltd. (Item 10).

The firm has amended the fees and compensation charged to clients. (Items 4 & 5).

The firm is happy to announce that we have a new office location. (Item 1).

Additional information about The Marshall Financial Group, LLC is also available via the SEC's web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's web site also provides information about any persons affiliated with The Marshall Financial Group, LLC who required to be notice filed as investment adviser representatives of The Marshall Financial Group, LLC.

Please contact us at (410) 563-1044 or <a href="mailto:info@marshallfinancialgroup.com">info@marshallfinancialgroup.com</a> if you would like a copy of our updated Part 2. Additional information about us is also available on the SEC's website at <a href="http://www.adviserinfo.sec.gov">www.adviserinfo.sec.gov</a> .
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## **ITEM 4: ADVISORY BUSINESS**

### **Who we are**

The Marshall Financial Group LLC (referred to as “we,” “our,” “us,” “Firm” or “TMFG”), has been registered as an investment advisor since May 2008. Our principal officer and majority owner is Peter A. Marshall. Minority ownership is as follows; Sheryl Parks and Anthony Pugliese are each 10% partners. The Firm became registered as a federally registered investment adviser with the SEC on December 18, 2019.

### **Services we offer**

We work with you to assess your assets and identify the level of return required to meet your objectives. We work with each client to determine their risk tolerance, financial objectives, and investment suitability. Once this is determined, we design a unique portfolio to meet your goals. Our services include:

- Budgeting & Cash Flow Analyst Education Planning
- Retirement Planning and Legacy/Estate Planning
- Investment Analysis & Planning Fee based Asset Management

We invest through mutual funds bought at NAV and also have a managed stock account which is invested in stocks and ETFs. Based on the client's situation, we structure their portfolio for accumulation goals such as college and retirement planning. Clients may impose restrictions on investing in certain securities or types of securities.

We offer our clients the services of Pontera to monitor and provide management of client's held away assets. We also provide periodic educational seminars and workshops to clients free of charge.

### **Written Acknowledgement of Fiduciary Status**

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are fiduciaries within the meaning of Title 1 of the Employee Retirement Income Act (ERISA) and 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 a level fee that is reasonable for our services; and
- Give you basic information about conflicts of interest.

### **Assets under management**

As of December 31, 2023, we manage advisory assets of approximately \$459,607,923 on a discretionary basis in advisory assets under management (AUM) and non-discretionary assets of approximately \$9,067,414. For our non-registered investment advisory (Non-RIA) business, we manage approximately \$57,324,663.

## ITEM 5: FEES AND COMPENSATION

### Investment Management Fees

#### Advisory Fees & Billing Practices

Fees for investment management do not exceed 3% per year of the assets under management. However, we may negotiate lower fees based on percentages under management with clients based on account size and the scope and complexity of the services to be performed. Additionally, we may charge a minimum fee to clients. Fees are fully disclosed to you in the Investment Management Agreement.

**Payment in Advance.** Fees are billed in advance, at quarter end. If a new account, the fee will be pro-rated based on the number of days the account has been funded. The advisory fee for each quarter is calculated using the market value of assets on the last day of the immediately preceding calendar quarter.

Example: 2<sup>nd</sup> Quarter – April 1<sup>st</sup> thru June 30<sup>th</sup>

Asset Valuation Date: March 31<sup>st</sup>

Fee paid to The Marshall Financial Group within the first 15 days of the month of April.

**Payment in Arrears.** Fees are billed in arrears, at quarter end. If a new account, the fee will be pro-rated based on the number of days the account has been funded. The advisory fee for each quarter is calculated using the market value of assets on the last day of the billing period which is the end of the immediately preceding calendar quarter.

Example: 2<sup>nd</sup> Quarter – April 1<sup>st</sup> thru June 30<sup>th</sup>

Asset Valuation Date: June 30<sup>th</sup>

Fee paid to The Marshall Financial Group within the first 15 days of the month of July.

We generally request that you provide authorization for us to deduct our fees directly from your investment account. Important information about the deduction of management fees:

- You must provide authorization for us to deduct fees by initialing the appropriate section and signing the investment management agreement. For clients that do not authorize us to have their fees deducted directly from their account, or for those who have not signed new agreements or do not have an investment management account at a custodian, payment is due within thirty (30) days after receipt of the billing statement from TMFG.
- You will receive a detailed invoice each quarter which outlines our fees and how they are calculated at the same time we request payment from the custodian.
- You will receive a statement from your custodian which shows your holdings.
- You are responsible for reviewing the accuracy of the fees being billed, as the custodian will not do so.

#### Minimum Fee

Our firm charges an advisory fee based upon the total assets under management for each client. If this fee is below our minimum fee, not to exceed \$5,000 annually, we will impose additional fees be paid for management of your advisory accounts. If a client's assets under management are not sufficient to generate the minimum annual fee, they have the option to pay the difference (until their assets are sufficient) to receive the desired level of service. For example, a client desires to receive Managed Services and their assets generate an annualized fee of \$4,000, they have the option of paying the difference (i.e. an additional \$1,000) to reach the minimum annual fee of \$5,000 until the assets under management are sufficient to generate the minimum annual fee.

Clients can choose to have these fees paid by direct debit from the Account if allowable or by invoice. The total fee and payment method are disclosed within the Advisory Agreement. The minimum fee may be more than other advisors would charge for the same or similar services.

#### Cancellation, Termination and Refunds

You may end our advisory relationship by providing 2 weeks written notice. We will prorate the advisory fees earned through the termination date and send you an invoice for the advisory fees due. For clients who pay in advance, we

will prorate the advisory fees earned through the termination date and send you a refund for any prepaid, unearned fees.

If clients de-link their custodial account to exclude MFG as advisor of record, we are still legally obligated to be your advisor based upon our mutual agreement, until a written termination of our relationship is received by MFG from you the client. De-linking at the custodial level will not in itself end services by MFG, and fees may still be assessed if services continue without proper notice to MFG.

#### Other Costs Involved

In addition to our advisory fee shown above, you are responsible for paying fees associated with investing for your account. These fees may include:

- mutual fund loads (if applicable) and retained by the custodian, MFG does not receive these commissions.
- management fees for ETFs and mutual funds. These are fees charged by the managers of the ETF or mutual fund and are a portion of the expenses of the ETF or mutual fund.
- brokerage costs and transaction fees for any securities or fixed income trades. These are generally charged by your custodian and/or executing broker.
- Pontera (formally FeeX) services charge TMFG for Assets held away. This fee may require payment via an ACH, credit card, or invoiced separately if the client does not have other assets under management with TMFG, if client has other assets held with TMFG ,Pontera linked advisory account fee can be charged to one of the clients existing accounts based upon the advisory fee within the Client's Advisory Agreement.

Additional information about brokerage costs and services is provided in "Item 12: Brokerage Practices."

#### Conflicts of Interest

Peter Marshall, Sheryl Parks, and Anthony Pugliese are registered representatives, they receive commissions for executing some trades for clients at PKS, and for mutual fund investments, they may receive trailing commissions.

Trailing commissions are fees the mutual fund pays to the registered representative each year that you own the mutual fund. In these situations, a conflict of interest exists between your interests and those of TMFG because we have an incentive to recommend investment products based on the compensation Advisor Representatives receive rather than your needs. We do not recommend mutual fund shares that pay Advisor Representatives trailing commissions if a (in our opinion) similar investment is available that does not pay trailing commissions. TMFG doesn't receive any trails from Charles Schwab or Fidelity.

Clients who elect to provide limited power of attorney for TMFG to place trades may elect to open an account at PKS and securities transactions will be executed through Advisor Representatives acting in as a registered representative of PKS. No commissions are generated for securities transactions, but there is a ticket charge which generally does not exceed \$15. The ticket charge is paid to Schwab, and Advisor Representatives do not receive any portion of this fee. Advisor Representatives spend approximately the indicated period of time acting in the capacity of registered representatives of PKS: Peter Marshall (5%), Sheryl Parks (5%) and Anthony Pugliese (5%).

You are under no obligation to implement investment recommendations through PKS. If you do elect to use PKS, you are under no obligation to choose Advisor Representatives as your registered representative. Commissions paid to PKS may be higher or lower than other broker/dealers who provide similar services.

Some Advisor Representatives are also affiliated with various insurance agencies. If you elect to implement insurance recommendations through one of them, they will receive the normal and customary commissions. In these situations, a conflict of interest exists between the interests of the client and TMFG. Clients of TMFG are under no obligation to implement insurance recommendations through Advisor Representatives.

Commissions are the primary compensation of registered representatives of PKS. We do not reduce our advisory fees to offset any securities or insurance commissions earned.

### Commissionable Securities Sales

Representatives of our firm are registered representatives of Purshe Kaplan Sterling Investments, Inc (“PKS”), member FINRA/SIPC. As such they are able to accept compensation for the sale of securities or other investment products, including distribution or service (“trail”) fees from the sale of mutual funds. Clients should be aware that the practice of accepting commissions for the sale of securities presents a conflict of interest and gives our firm and/or our representatives an incentive to recommend investment products based on the compensation received. Our firm generally addresses commissionable sales conflicts that arise when explaining to clients these sales create an incentive to recommend based on the compensation to be earned and/or when recommending commissionable mutual funds, explaining that “no-load” funds are also available.

### **ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

We do not receive performance fees for managing accounts.

### **ITEM 7: TYPES OF CLIENTS**

We provide investment advisory services to individuals, businesses, pension and profit-sharing plans, and charitable organizations.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

We use third party software and periodicals to pick our investments and we rely on asset allocation models to structure the investments. When investing in stock mutual funds or stocks our main concern is market risk. With each client we discuss how comfortable they are in losing their money when markets go down. When investing in bond funds or iShares we talk about credit and interest rate risk.

We create a diversified portfolio for clients but with that there are always sectors that underperform.

**Mutual Fund or ETF Risk:** The risk of owning an ETF or mutual fund generally reflects the risks of owning the underlying securities the ETF or mutual fund holds. 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. Clients may incur brokerage costs when purchasing ETFs or mutual funds.

**Market Risk:** Stock and bond markets may decline in reaction to tangible or intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances.

**Manager Risk:** The investment strategies, research, analysis and the determination of a portfolio's securities by TMFG may not be successful. The risk of loss due to allocations in the various assets may cause the client's account to underperform relative to benchmarks or other accounts with a similar investment objective.

**Asset Allocation and Rebalancing Risk:** The risk that a client's assets may be out of balance with the target allocation. Any rebalancing of such assets may be infrequent and limited by several factors and, even if achieved, may have an adverse effect on the performance of the client's assets.

**Privacy/ Cybersecurity Risk:** The risk of actual and attempted cyber-attacks, including denial-of-service attacks, and harm to technology infrastructure and data from misappropriation or corruption, and reputation harm. Due to TMFG interconnectivity with third-party vendors, exchanges, clearing houses and other financial institutions, TMFG, and thus indirectly our clients, could be adversely impacted if any of them is subject to a successful cyber-attack or other information security event. Although TMFG takes protective measures and endeavors to modify them as circumstances warrant, its computer systems, software and networks may be vulnerable to unauthorized access, misuse, computer viruses or other malicious code and other events that could have a security impact or render TMFG unable to transact business on behalf of clients. All investments involve different degrees of risk and investing in securities involves risk of loss that clients should be prepared to bear. You should be always aware of your risk tolerance level and financial situations. We cannot guarantee the successful performance of an investment and we are expressly prohibited from guaranteeing accounts against losses arising from market conditions.

## ITEM 9: DISCIPLINARY INFORMATION

Registered investment advisors are required to disclose any material facts regarding any legal or disciplinary actions that would be material to your evaluation of the investment advisor and each investment advisor representative providing investment advice to you.

There are no reportable material legal or disciplinary events related to TMFG.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Marshall Financial Group, LLC is no longer affiliated with American Financial Management, Ltd.

Most Advisor Representatives also have relationships with other financial industry firms including:

- Acting as registered representative of Purshe Kaplan Sterling ("PKS"), which is a broker/dealer.
- Acting as an insurance agent.

Please refer to the "Conflicts of Interest" section in "Item 5: Fees and Compensation" for additional disclosures about these relationships.



Representatives of our firm are registered representatives of PKS, member FINRA/SIPC, and licensed insurance agents. As a result of these transactions, they receive commissions. A conflict of interest exists as these commissionable sales create an incentive to recommend products based on the compensation earned. To mitigate this potential conflict, our firm will act in the client's best interest.

Sheryl Parks is a presenter for "Second Saturday" a national organization that sponsors educational webinars directed to those that are interested in divorce advice. These webinars are conducted virtually and offer non-biased financial, emotional, and legal advice from qualified professionals that provide people with the knowledge and support to move through the divorce process. Ms. Parks is compensated by TMFG a nominal amount to conduct these webinars.

Our firm is not registered, nor does it have an application pending to register, as a broker-dealer, futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

Our firm does not recommend or select other investment advisers for clients. Our firm does not directly or indirectly receive compensation for the recommendation or selection of other investment advisers.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

We have adopted a set of enforceable guidelines (Code of Ethics), which describes unacceptable conduct by TMFG and our associated persons. Summarized, this Code of Ethics prohibits us from:

- placing our interests before yours,
- using nonpublic information gathered when providing services to you for our own gains, or
- engaging in any act, practice or course of business that is, or might be considered, fraudulent, deceptive, manipulative, or in violation of any applicable law, rule or regulation of a governmental agency.

Please contact us if you would like to receive a full copy of this Code of Ethics.

### **Personal Trading for Associated Persons**

We may buy or sell some of the same securities for you that we already hold in our personal account. We may also buy for our personal account some of the same securities that you already hold in your account. It is our policy not to permit our associated persons (or their immediate relatives) to trade in a way that takes advantage of price movements caused by your transactions.

We may restrict trading for a particular security for our accounts or those of our associated person if there is a pending trade in that security in a client account. Trades for our accounts (and those of our associated persons) will be placed as part of a block trade with client trades, or individually after client trades have been completed. Additional information about block trades is provided in the Aggregation of Orders section of "Item 12: Brokerage Practices." When our trades are placed after our client trades, we may receive a better or worse price than that received by the client.

TMFG and its associated persons may purchase or sell specific securities for their own account based on personal investment considerations without regard to whether the purchase or sale of such security is appropriate for clients.

All persons associated with us are required to report all personal securities transactions to us quarterly.

## **ITEM 12: BROKERAGE PRACTICES**

### **The Custodian and Brokers We Use**

We do not maintain custody of your assets that we manage, 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," generally a broker/dealer or bank. We recommend that our clients use Charles Schwab & Co., Inc. ("Schwab"), Fidelity Equity Trust Company/Equity Advisor Solutions, Midwest

Trust, National Exchange Bank and Trust or PKS, each a FINRA-registered broker/dealer, member SIPC, as the qualified custodian. The custodian will hold your assets in a brokerage account and buy and sell securities when we instruct them to. While we recommend you use Schwab or PKS as a custodian/broker, you will decide whether to do so and will open your account with the custodian by entering into an account agreement directly with them. We do not open the account for you, although we may assist you in doing so.

*Schwab:* We are independently owned and operated and are not affiliated with Schwab. While we recommend that you use Schwab as custodian/broker, even though your account is maintained at Schwab, we can still use other brokers to execute trades for your account, as described in the next paragraph.

## **How We Select Brokers/Custodians to Recommend**

In selecting brokers to execute portfolio transactions, we make a good faith judgment of about which broker would be appropriate. We take into consideration not only the available prices and rates of brokerage commissions, but also other relevant factors that may include (without limitation):

- the execution capabilities of the broker/dealer,
- research (including economic forecasts, investment strategy advice, fundamental and technical advice on individual securities, valuation advice and market analysis),
- custodial and other services provided by the broker/dealer that are expected to enhance our general portfolio management capabilities,
- the size of the transaction,
- the difficulty of execution,
- the operational facilities of the broker-dealers involved,
- the risk in positioning a block of securities, and
- the quality of the overall brokerage and research services provided by the broker/dealer.

## **Your Brokerage and Custody Costs**

For our clients' accounts that Schwab maintains, Schwab generally does not charge you separately for custody services but is compensated by charging you commissions or other fees on trades that it executes or that settle into your Schwab account. In addition to commissions, Schwab charges you a flat dollar amount as a "prime broker" or "trade away" fee for each trade that we have 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. These fees are in addition to the commissions or other compensation you pay the executing broker-dealer. Because of this, in order to minimize your trading costs, we have Schwab execute most trades for your account.

## **Products and Services Available to Us from Schwab**

Schwab Advisor Services™ (formerly called Schwab Institutional®) is Schwab's business serving independent investment advisory firms like us. They provide our clients and us with access to its institutional brokerage—trading, custody, reporting, and related services—many of which are not typically available to Schwab retail customers. 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. Here 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 May Not Directly Benefit You.

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

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

#### Services That Generally Benefit Only Us.

Schwab also offers other services intended to help us manage and further develop our business enterprise. These services include:

- Educational conferences and events
- Consulting on technology, compliance, legal, and business needs
- Publications and conferences on practice management and business succession
- Access to employee benefits providers, human capital consultants, and insurance providers

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

### **Aggregation of Orders**

There are occasions on which portfolio transactions will be executed as part of concurrent authorizations to purchase or sell the same security for another client or one or more of our associated persons.

We may choose to block (aggregate) trades for your account with those of other client accounts and personal accounts of persons associated with TMFG. When we place a block trade, all participants included in the block receive the same price per share on the trade. The price is calculated by averaging the price of all of the shares traded. Due to the averaging of price over all of the participating accounts, aggregated trades could be either advantageous or disadvantageous. Commission costs are not averaged. You will pay the same commission whether your trade is placed as part of a block or on an individual basis. The objective of the aggregated orders will be to allocate the executions in a manner that is deemed equitable to the accounts involved.

We will always perform a block trade when appropriate. If for some reason, we can't perform a block trade, we will use a first come first serve basis in determining trade order. We will always try our best to make sure our clients are treated in a fair and equal manner.

### **Soft Dollars**

"Soft dollars" are typically generated when an investment advisor enters into an agreement with an executing broker to receive a portion of the commissions generated by the advisor's client trades. The soft dollars are allocated to the investment advisor and can then be used to purchase items or services. The investment advisor has a fiduciary duty to its clients to obtain the best execution, on an overall basis, for any securities transactions.

We do not use soft dollars as described above. However, the receipt of goods and/or services from a third party in connection with providing advice to clients could be seen as "soft dollars." The additional services we receive from PKS, as disclosed in Item 14 below, would fall under this description of soft dollars as would the services we receive

from Schwab as outlined in the section entitled “Services That Generally Benefit Only Us” above.

### **ITEM 13: REVIEW OF ACCOUNTS**

An annual analysis of returns and allocations, income and asset projects is performed by Peter Marshall, Principal, or the investment advisor representatives assigned to the client. More frequent reviews may be requested by the client.

After review, clients receive written reports which include the returns for the portfolio and income and asset projection profiles.

### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

We receive economic benefits from PKS that we use to execute trades in client accounts. These benefits include the following products and services (provided without cost or at a discount):

- receipt of duplicate client statements and confirmations;
- research related products and tools;
- consulting services;
- access to a trading desk serving investment advisor participants;
- access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts);
- the ability to have advisory fees deducted directly from client accounts; and
- access to an electronic communications network for client order entry and account information.

Marshall has entered into a Promoter Agreement with a non-affiliated entity of our firm. This entity (hereafter "promoter") will be compensated for referrals as agreed upon between the firm and the promoter. Proper disclosures that outline the fees and relationship will be given to the potential client referred per the SEC guidelines set forth in Rule 206(4)-1. Fees paid to the promoter do not alter or affect the amount of fees that the referred client would pay if they became an advisory client of the firm.

### **ITEM 15: CUSTODY**

When the Custodian of record permits, TMFG is deemed to have custody of client assets when TMFG obtains login credentials to the client's brokerage accounts or other custodian accounts, and such credentials provide TMFG with the ability to withdraw funds or securities or transfer them to an account not in the client's name at a qualified custodian. TMFG has adopted policies and procedures to monitor and supervise its practices when it has custody of client assets.

TMFG has also retained an independent accounting firm to perform a surprise examination once during each calendar year as prescribed by Rule 206(4)-2 of the Investment Advisers Act of 1940, as amended.

TMFG may be deemed to have “constructive custody” of client assets because TMFG has the authority, if you grant us the authority, to deduct our fees directly from your separately managed accounts,

In order to avoid additional regulatory requirements in these cases, we follow the procedures outlined in “Item 5: Fees and Compensation.” You will also receive quarterly statements directly from the custodian of the account that details all transactions in the account.

For accounts where the client has a standing letter of authorization (“SLOA”) that allows us to transfer money between accounts specified by the client, or to transfer funds to a third-party as directed by the SLOA, we are also deemed to have custody. We follow the guidance outlined in the Investment Adviser Association no-action letter dated February 21, 2017, for these accounts. A copy of this letter is available upon request.

From time to time and in accordance with TMFG's investment advisory agreement with clients, TMFG will provide additional reports. The account balances reflected in these reports should be compared to the balances shown on the brokerage statements to ensure accuracy. At times there are small differences due to the timing of a dividend reporting,

pending trades or other similar issues.

## **ITEM 16: INVESTMENT DISCRETION**

You may provide discretionary authority for us to manage your assets. Discretionary authority means that you are giving us a limited power of attorney to place trades on your behalf, without the need to confirm any trade with you. This limited power of attorney does not allow us to withdraw money from your account, other than advisory fees if you agree to give us that authority.

You grant us discretionary authority by completing the following items:

- Sign a contract with us that provides a limited power of attorney for us to place trades on your behalf. Any limitations to the trading authorization will be added to this agreement.
- Provide us with discretionary authority on the new account forms that are submitted to the broker dealer acting as custodian for your account(s).

We also offer non-discretionary advisory services. If you elect to engage us to manage assets on a non-discretionary basis, we will contact you before each trade is placed in your account.

Clients may provide restrictions on our discretionary authority; however, none have done so to date.

## **ITEM 17: VOTING CLIENT SECURITIES**

TMFG offers clients proxy voting on their behalf. TMFG acknowledges its obligations set forth by the SEC and the firm's fiduciary obligation as this relates to voting proxies on behalf of those clients that have delegated to it, or for which it is deemed to have, proxy voting authority. TMFG will satisfy the compliance requirements and federal guidelines for proxy voting by utilizing professional third-party proxy voting firms to make and retain, on the firm's behalf, a copy of proxy statements, maintain records of the votes cast on behalf of the client, maintain copies of all written client requests for information regarding voted proxies on behalf of the requesting client. . The third-party proxy voting firm used for each client, and the terms and conditions of the voting process, will be specifically disclosed to the client at the time the client elects to have TMFG take this action on the client's behalf. Proxy voting is an elected service to clients, and clients can opt in or opt out of this service.

## **ITEM 18: FINANCIAL INFORMATION**

We do not charge or solicit pre-payment of more than \$1,200 in fees per client six months or more in advance. We have never filed for bankruptcy and are not aware of any financial conditions that are reasonably likely to impair our ability to meet our contractual obligations to clients.