

Taylor Capital Management Wrap Program

Sponsored by:

Taylor Capital Management

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This brochure provides information about the qualifications and business practices of TCM Advisors, LLC dba Taylor Capital Management. If clients have any questions about the contents of this brochure, please contact us at (304) 260-0078 or email at Tim@TaylorCapitalLLC.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.

Additional information about Taylor Capital Management is also available on the SEC's website at www.adviserinfo.sec.gov.

Please note that the use of the term "registered investment adviser" and description of our firm and/or our associates as "registered" does not imply a certain level of skill or training. Clients are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise clients for more information on the qualifications of our firm and our employees.

ITEM 2: MATERIAL CHANGES

Taylor Capital Management is required to make clients aware of information that has changed since the last annual update to the Wrap Brochure ("Wrap Brochure") and that may be important to them. Clients can then determine whether to review the brochure in its entirety or to contact us with questions about the changes.

Last annual updating amendment: March 30, 2023.

At this time, there are no material changes to report about the Brochure since the last annual amendment filed.

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ITEM 4: SERVICES, FEES & COMPENSATION

- A. Description of our services, including the types of portfolio management services, provided under each program. Our firm must indicate the wrap fee charged for each program, or, if fees vary according to a schedule, provide such schedule. Further, our firm is required to indicate whether fees are negotiable and identify the portion of the total fee, or range of fees, paid to portfolio managers.

Our firm sponsors and offers a wrap fee program. Our firm manages assets for many different types of clients to help meet their financial goals while remaining sensitive to risk tolerance and time horizons. As a fiduciary it is our duty to always act in the client's best interest. This is accomplished in part by knowing the client. Our firm has established a service-oriented advisory practice with open lines of communication. Working with clients to understand their investment objectives while educating them about our process, facilitates the kind of working relationship we value.

(i) Asset Management:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), options, mutual funds and other public and private securities or investments. The client's individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client's circumstances. Once the appropriate portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based upon the client's individual needs, stated goals and objectives.

To assist us with this, we utilize the services of Raymond James Financial Services ("RJFS") to keep custody of our client's assets and execute trades for our Ambassador Platform ("Ambassador Platform") and Independent Clearing Account Platform ("ICAP") (collectively known as "Platform"). Raymond James & Associates, Inc. ("RJA"), an affiliate of RJFS, acts as the clearing agent when we execute securities transactions placed through RJFS.

Our firm will present a prospective client with the Platform. The Ambassador Platform requires an account minimum of \$1,000 while ICAP has no account minimum. ICAP primarily focuses on a model portfolio comprised of mutual funds while the Ambassador Platform is focused on individual securities such as stocks, bonds, and options trading. If the client exceeds the threshold amount of \$1,000, they will have the option to be placed in either the ICAP or Ambassador Platform. Through client conversations, our firm will help them determine the most suitable option for their circumstances based on the client's age, risk tolerance, investment objectives, etc. Once the client is entered in a platform, we will inform them that instead of charging their account for custodial services per transaction, the asset-based fee ("admin fee") will be charged to our firm as a percentage of assets in the account. In other words, our firm will cover all transaction costs for both Platforms.

Independent Clearing Account Platform (ICAP):

There are no account minimums for a client to be established with ICAP. This account will consist primarily of model mutual fund portfolios managed by our firm's principal. For clients that do not have the minimum of \$1,000, we place them in ICAP to give them the opportunity to eventually transition into the Ambassador Platform. Clients will always have the option to be placed in ICAP instead of the Ambassador Platform. Our firm will present the option to transition into the Ambassador Platform once the threshold has been met.

Ambassador Platform:

In order to be on the Ambassador Platform, you must meet the account minimum of \$1,000. Certain assets are exempt from the advisory fees and will not count as part of the account minimum. This account will primarily consist of various securities such as stocks, ETFs, and options trading.

However, certain securities are not permitted in the Ambassador Platform, including private placements, load variable annuities and life insurance, limited partnerships (except for exchange-traded master limited partnerships), and jumbo certificates of deposit. Additional B, C, and D shares of mutual funds cannot be purchased. Certain assets, including prospectus offerings purchased in the last twelve months and brokered CDs, will not be included in the value of the account for billing purposes, or for purposes of the \$1,000 account minimum on accounts in the Ambassador Platform.

We have determined (according to our best execution policy) that utilizing RJFS and RJA helps us to manage our client accounts effectively and efficiently. Both RJFS and RJA provide various administrative services which include: determines the fair market value of assets held in a client's account at least quarterly, produces brokerage statements and performance reporting for client's account assets, account transactions, receipt and disbursement of funds, interest and dividends received, and account gain or loss by security as well as for the total account. We receive research, trade execution, custody and performance reporting benefits from RJFS in connection with our Platform that we would otherwise have to purchase separately. Because of the benefits that we receive from RJFS and RJA, we may have a financial incentive to recommend a fee-based program rather than the client pay for brokerage, custody, performance reporting, and other services separately.

Please note, though, that Platform restricts the purchase of funds with a sales load. Thus, clients should carefully consider whether a particular fund's purchase would result in a lower aggregate cost if utilizing an alternative share class in a commission-based account if available.

Certain securities are not permitted in Platform, including private placements, load variable annuities and life insurance, limited partnerships (except for exchange-traded master limited partnerships), and jumbo certificates of deposit. Additional B, C, and D shares of mutual funds cannot be purchased in Platform. Certain assets, including prospectus offerings purchased in the last twelve months and brokered CDs, will not be included in the value of the account for billing purposes, or for purposes of the \$100,000 account minimum on Ambassador Accounts. Certain other assets, such as A shares of mutual funds purchased within the last two years at RJFS, B, C, and D shares of mutual funds, all mutual funds that are not Ambassador eligible,

non-networked funds, non-master limited partnerships, and auction rate and municipal preferred securities, will be billed at a lower rate, but will not be included in the value of the account for purposes of the \$100,000 account minimum on Ambassador Accounts.

RJFS has a limited responsibility to our firm. As such, RJFS merely executes transactions pursuant to our direction, and provides us with administrative services as described above. If you engage in an Account, you agree that we are solely responsible for the management of your portfolio. It is required that you have authorized us as your agent and attorney-in-fact to buy and sell securities or other investments for the account. Any engagement is solely at the direction of our firm, provided that the action is deemed to be appropriate. Please note that we are not authorized to withdraw any money, securities or other property either in the name of a client or otherwise.

Fee Schedule:

Non-Qualified Clients We offer our services to our clients for a 1.25% annual Advisory Fee (.3125% quarterly), which shall be pro-rated and paid in advance or arrears on a quarterly basis. No increase in the annual fee shall be effective without prior written notification to the Client. Fees will be automatically deducted from the account.

To assist us with this service, RJFS offers a fee-based pricing model for Ambassador ("Ambassador Platform") and Independent Clearing Account ("ICAP") Platforms (collectively known as "Platform"). Our firm will present a prospective client with the Platform. The Ambassador Platform requires an account minimum of \$1,000 while ICAP has no account minimum. ICAP primarily focuses on a model portfolio comprised of mutual funds while the Ambassador Platform is focused on individual securities such as stocks, bonds, and options trading. If the client exceeds the threshold amount of \$1,000, they will have the option to be placed in the ICAP or Ambassador Platform. Through client conversations, our firm will help them determine the most suitable option for their circumstance based on the client's age, risk tolerance, investment objectives, etc. Once the client is entered in a platform, we will inform them that instead of charging their account for custodial services per transaction, the asset-based fee ("admin fee") will be charged to our firm as a percentage of assets in the account. In other words, our firm will cover all transaction costs for both Platforms. Our firm's annual Advisory fees of 1.25% (.3125% quarterly) for our Asset Management Service noted above are inclusive of all admin fees. The following information regarding amounts are for the client's benefit to inform them of the respective portions of our Advisory Fees that go to our custodial firm, Raymond James:

Accounts < \$500,000	admin fee = .35%
Accounts \$500,000 - \$1,000,000	admin fee = .25%
Accounts > \$1,000,000	admin fee = .10%

Independent Clearing Account Platform ("ICAP"):

Fees are deducted quarterly in arrears. The initial fee will be the prorated amount due for the initial calendar quarter from the inception of the account. The initial quarterly fee will be calculated based on the total value of the account at inception. Subsequent quarterly fees will be calculated upon the market value of the account on the last business day of the previous calendar quarter.

Any fees pursuant to Rule 12b-1 under the Investment Company Act of 1940, or administrative or servicing fees, received by RJFS with respect to securities held in your Account will be credited to those accounts quarterly against account fees payable from that account. These fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the fund prospectus.

Ambassador Account:

In order to establish an Ambassador Account in the Ambassador Platform, you must meet the account minimum of \$1,000. Certain assets are exempt from the advisory fees and will not count as part of the account minimum. Your first 100 trades per year in the Ambassador Account are included in the cost of the account described in the table above (resetting on October 1st of each year). RJFS has agreed to view the maximum trade count in aggregate across each household.

Periodic investments, systematic withdrawals, exchanges and mutual fund liquidations are exempt from transaction charges. Platform are set up to have fees deducted from funds within the account, so you should plan for this when investing your assets. Fees are deducted quarterly in advance. The initial fee will be the prorated amount due for the initial calendar quarter from the inception of the account. The initial quarterly fee will be calculated based on the total value of the account at inception. Subsequent quarterly fees will be based calculated upon the market value of the account on the last business day of the previous calendar quarter.

Any fees pursuant to Rule 12b-1 under the Investment Company Act of 1940, or administrative or servicing fees, received by RJFS with respect to securities held in your Account will be credited to those accounts quarterly against account fees payable from that account. These fees are included in the calculation of operating expenses of a mutual fund and are disclosed in the fund prospectus.

Qualified Clients

We offer to Qualified Clients a Performance Fee structure to be assessed on a quarterly basis. Qualified Clients are those that have a minimum net worth of \$2.2 million dollars or have placed at least \$1,100,000 under our management. Qualified clients are annually charged a 1.00% annual Base Advisory Fee (0.25% quarterly) quarterly in advance on a pro-rata basis. In addition to this fee, Qualified Clients will be assessed a 20% Performance Fee billed quarterly in arrears based on the last day of the calendar quarter on all profits 5% net capital appreciation or greater that have accrued during the previous calendar quarter above and beyond the portfolio's previous high-water mark while under our management (i.e. A 5% net gain of new money to the portfolio). That Performance Fee will be calculated as one-fifth, or 20% of that net portfolio gain. The Performance Fee is payable only if the net profits in the account(s) exceed the performance calculation of previous quarters (ie. the portfolio's "high water mark").

As an example, if an account has established a high-water mark of \$1,000,000 as of the last day of a quarter, a Performance Fee can only be earned if at the end of the next quarter, the accounts balance has grown 5% (or greater) to \$1,050,000. During the course of the quarter, as the regular quarterly Advisory Fee of \$2,500 is charged, (1% annual = 0.25% quarterly) that amount also has to be "earned back" in addition to the 5% (\$50,000 in this example) growth necessary to earn the Performance Fee, with the account in this example still ending that quarter at \$1,050,000 or higher. This would represent the actual dollar

growth on the quarter to be \$52,500 in order to earn the Performance Fee. In the event of that growth being achieved, the Performance Fee earned would be one-fifth, or 20% of the \$50,000 net portfolio gain, or \$10,000. {\$50,000 x 20%} If the portfolio fails to achieve this level of return, no Performance Fee would be charged.

In the event that a client terminates the managed account before the end of the quarter, the client shall be assessed a 20% Performance Fee before termination if the performance definition has been met quarter-to-date (QTD). All performance based fees will comply with Section 205 of the Investment Advisers Act of 1940 and Rule 205-3 there under as applicable.

You may also incur charges for other account services provided by RJFS, through RJA, not directly related to the execution and clearing of transactions including, but not limited to, IRA custodial fees, safekeeping fees, interest charges on margin loans, and fees for transfers of securities.

Our firm's fees are billed on a pro-rata annualized basis quarterly in advance or arrears based on the value of your account on the last day of the previous quarter if we are not owed a performance based fee. No increase in the annual fee shall be effective without prior written notification to the Client. If we are owed a performance based fee, the fee is billed on a pro-rata basis quarterly in arrears based on the value of your account of the last day of current quarter. Fees are negotiable and will be automatically deducted from your managed account. Adjustments will be made for deposits and withdrawals during the quarter. We do not offer direct billing as an option to our clients. As part of the fee deduction process, you understand and acknowledge the following:

- a) The client's independent custodian sends statements at least monthly, showing all disbursements for each account, including the amount of the advisory fees paid to our firm;
- b) Clients provide authorization permitting the independent custodian to deduct these fees;
- c) The client's independent custodian calculates the advisory fees for all fee schedules and deducts them from the client's account.

B. Explanation that a wrap fee program may cost clients more or less than purchasing such services separately and description of the factors that bear upon the relative cost of the program, such as the cost of the services if provided separately and the trading activity in client account(s).

Our firm sponsors and offers a wrap fee program, which allows clients to pay a single fee for investment advisory services and associated custodial transaction costs. Transaction fees will be paid by our firm based on a percentage of the dollar amount of assets in the account(s). Because our firm absorbs client transaction fees, an incentive exists to limit trading activities in client accounts. In addition, it is important to note that Raymond James does not charge transaction fees for U.S. listed equities and exchange traded funds. Since we pay the transaction fees charged by the custodian to clients participating in our wrap fee program, this presents a conflict of interest because we are incentivized to recommend equities and exchange traded funds over other types of securities in order to reduce our costs.

- C. Description of any fees that clients may pay in addition to a wrap fee, and description of the circumstances under which clients may pay these fees, including, if applicable, mutual fund expenses and mark-ups, mark-downs, or spreads paid to market makers.

In addition to our advisory fees above, Clients may also pay holdings charges imposed by the chosen custodian for certain investments, charges imposed directly by a mutual fund, index fund, or exchange traded fund, which shall be disclosed in the fund's prospectus (i.e., fund management fees, initial or deferred sales charges, mutual fund sales loads, 12b-1 fees, surrender charges, variable annuity fees, IRA and qualified retirement plan fees, and other fund expenses), mark-ups and mark-downs, spreads paid to market makers, fees for trades executed away from custodian, wire transfer fees and other fees and taxes on brokerage accounts and securities transactions. Our firm does not receive a portion of these fees.

- D. If someone recommending a wrap fee program to you, receives compensation as a result of your participation in the program, our firm must disclose this fact. Further, our firm is required to explain, if applicable, that the amount of the compensation may be more than what the person would receive if you participated in our other wrap fee program or paid separately for investment advice, brokerage and other services. Finally, our firm must explain that someone recommending a wrap fee program may have a financial incentive to recommend the wrap fee program over other programs or services.

Our firm does not recommend or offer the wrap program services of other providers.

ITEM 5: ACCOUNT REQUIREMENTS & TYPES OF CLIENTS

Our requirements for opening and maintaining accounts or otherwise engaging us:

- We generally require a minimum account balance of \$1,000 for clients in our Ambassador Program while the ICAP has no account balance. The minimum account balance requirement for clients in our Ambassador Program is negotiable and would be required throughout the course of the client's relationship with our firm.

Our firm has the following types of clients:

- Individuals;
- High Net Worth Individuals
- Trusts, Estates or Charitable Organizations;
- Corporations, limited liability companies and/or other business types.

ITEM 6: PORTFOLIO MANAGER SELECTION & EVALUATION

- A. Description of how our firm selects and reviews portfolio managers, our basis for recommending or selecting portfolio managers for particular clients, and our criteria for replacing or recommending the replacement of portfolio managers for the program and for particular clients.

Our firm does not utilize outside portfolio managers. All accounts are managed by our in-house licensed investment adviser representatives ("IARs") of our firm. Prior to becoming licensed with our firm, each IARs industry experience, licensure, outside business activities, client

complaints (if any), disciplinary or regulatory history (if any) and financial well-being will be reviewed. Each IAR will then have a Form U4 and ADV Part 2B on file with our firm.

- B. Disclosure of whether our firm or any related persons act as a portfolio manager for a wrap fee program described in the wrap fee program brochure. Our firm must explain the conflicts of interest faced because of this arrangement and describe how these conflicts of interests are addressed. Further, our firm must disclose whether related person portfolio managers are subject to the same selection and review as the other portfolio managers that participate in the wrap fee program. If they are not, our firm must describe how related person portfolio managers are selected and reviewed.

Our firm's IARs act as portfolio manager(s) for this wrap fee program. A conflict arises in that other investment advisory firms may charge the same or lower fees than our firm for similar services. Our IARs are subject to individual licensing requirements as imposed by state securities boards. Our firm is required to confirm or update each IAR's Form U4 on an annual basis. IAR supervision is conducted by our Chief Compliance Officer or management personnel.

- C. If our firm, or any of our supervised persons covered under or investment adviser registration, act as a portfolio manager for a wrap fee program described in the wrap fee program brochure, our firm must respond to Items 4.B, 4.C, 4.D (Advisory Business), 6 (Performance-Based Fees and Side-By-Side Management), 8.A (Methods of Analysis, Investment Strategies and Risk of Loss) and 17 (Voting Client Securities) of Part 2A of Form ADV (Firm Brochure).

Our firm and IARs act as portfolio manager(s) for this wrap fee program.

(1) Advisory Business:

Information about our wrap fee services can be found in Item 4 of this brochure.

(2) Individual Tailoring of Advice to Clients:

We offer individualized investment advice to clients utilizing the Asset Management service.

(3) Ability of Clients to Impose Restrictions on Investing in Certain Securities or Types of Securities:

We usually do not allow clients to impose restrictions on investing in certain securities or types of securities due to the level of difficulty this would entail in managing their account. Exceptions will be made on a case-by-case basis.

(4) Participation in Wrap Fee Programs.

Our firm offers and sponsors a wrap fee program. Asset Management services are only offered through the Account Platforms which are for wrapped accounts, which are managed on an individualized basis according to the client's investment objectives, financial goals, risk tolerance, etc.

(5) Performance-Based Fees & Side-By-Side Management.

Our firm may charge Qualified Clients¹ “performance fees” – that is, fees based on a share of capital gains on or capital appreciation of the managed assets of a client. Please refer to Item 4A(i) of this Brochure more information about the assessment of Performance Fees. Billing cycle may vary based on the state in which the client resides. The fees to be assessed will be outlined in the advisory agreement to be signed by the client prior to the billing of any advisory fees.

In charging a Performance Fee to Qualified Clients, a conflict of interest potentially exists as our firm may receive greater fees from having a performance-based compensation structure than from those we only charge a fee unrelated to performance (e.g., an asset-based fee). As a result, we may have an incentive to direct the best investment ideas to, or to allocate or sequence trades in favor of, the account that pays a Performance Fee.

This is unlikely to occur, since the main difference in clients and their respective portfolios is in the strategy approvals that are obtained for qualified clients versus non-qualified clients, not in security selection or trade execution. In addition, we have taken several important steps to ensure that our performance based accounts are not favored over our client’s non-performance fee based accounts in security selection and trade execution. These steps include:

- 1) A periodic comparison of our performance based and non-performance accounts. Our comparison will entail a review of our ten most profitable and ten least profitable (including unrealized gain or loss) investment decisions based on total return of positions opened and closed for each investment strategy or mandate offered to clients.

We keep track of securities ticker symbol, purchase date, sale date, percentage of gain and/or loss, and dollar amount of the gain and/or loss. In the event that we find performance based accounts are being unduly (i.e., consistently) favored over non-performance based accounts, we would take action to address the situation. This could include allowing non-performance based accounts to trade before performance based accounts to the extent practicable, or if the problem persists, not allowing new performance based accounts, waiving our performance based fees or cancelling our performance based fee arrangements altogether and in some cases, termination of firm personnel.

- 2) The use of block trades and allocations made based on client’s risk tolerance, investment objectives and restrictions. A periodic review of the block trade allocations to detect whether profitable trades are being disproportionately allocated to performance based accounts, while unprofitable trades are being disproportionately allocated to pure-fee based accounts with no performance fee. If our firm detects a problem in the allocation of block trades, our remedies are the same as those outlined above.

¹ We are currently permitted to charge performance based fees only to clients with at least \$1,100,000 under management with our firm or a net worth of at least \$2.2 million. It is expected that the SEC will revisit this standard in the near future and tie the definition of a qualified client to inflation. It is unclear at this time whether the SEC will grandfather or exempt existing qualified clients being charged performance based fees from a greater financial threshold for meeting the qualified client standard should the definition change.

(6) Methods of Analysis, Investment Strategies & Risk of Loss

Description of the Methods of Analysis and Investment Strategies Used In Formulating Investment Advice or Managing Assets

The following methods of analysis and investment strategies may be utilized in formulating our investment advice and/or managing client assets, provided that such methods and/or strategies are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations.

General Risks of Owning Securities

The prices of securities held in client accounts and the income they generate may decline in response to certain events taking place around the world. These include events directly involving the issuers of securities held as underlying assets of mutual funds in a client's account, conditions affecting the general economy, and overall market changes. Other contributing factors include local, regional, or global political, social, or economic instability and governmental or governmental agency responses to economic conditions. Finally, currency, interest rate, and commodity price fluctuations may also affect security prices and income.

The prices of, and the income generated by, most debt securities held by a client's account may be affected by changing interest rates and by changes in the effective maturities and credit ratings of these securities. For example, the prices of debt securities in the client's account generally will decline when interest rates rise and increase when interest rates fall. In addition, falling interest rates may cause an issuer to redeem, "call" or refinance a security before its stated maturity, which may result in our firm having to reinvest the proceeds in lower yielding securities. Longer maturity debt securities generally have higher rates of interest and may be subject to greater price fluctuations than shorter maturity debt securities. Debt securities are also subject to credit risk, which is the possibility that the credit strength of an issuer will weaken and/or an issuer of a debt security will fail to make timely payments of principal or interest and the security will go into default.

The guarantee of a security backed by the U.S. Treasury or the full faith and credit of the U.S. government only covers the timely payment of interest and principal when held to maturity. This means that the current market values for these securities will fluctuate with changes in interest rates.

Investments in securities issued by entities based outside the United States may be subject to increased levels of the risks described above. Currency fluctuations and controls, different accounting, auditing, financial reporting, disclosure, regulatory and legal standards and practices could also affect investments in securities of foreign issuers. Additional factors may include expropriation, changes in tax policy, greater market volatility, different securities market structures, and higher transaction costs.

Finally, various administrative difficulties, such as delays in clearing and settling portfolio transactions, or in receiving payment of dividends can increase risk. Finally, investments in securities issued by entities domiciled in the United States may also be subject to many of these risks.

METHODS OF ANALYSIS

Securities analysis methods rely on the assumption that the companies whose securities are purchased and/or sold, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While our firm is alert to indications that data may be incorrect, there is always a risk that our firm's analysis may be compromised by inaccurate or misleading information.

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

Cyclical Analysis: Statistical analysis of specific events occurring at a sufficient number of relatively predictable intervals that they can be forecasted into the future. Cyclical analysis asserts that cyclical forces drive price movements in the financial markets. Risks include that cycles may invert or disappear and there is no expectation that this type of analysis will pinpoint turning points, instead be used in conjunction with other methods of analysis.

Fundamental Analysis: The analysis of a business's financial statements (usually to analyze the business's assets, liabilities, and earnings), health, and its competitors and markets. When analyzing a stock, futures contract, or currency using fundamental analysis there are two basic approaches one can use: bottom up analysis and top down analysis. The terms are used to distinguish such analysis from other types of investment analysis, such as quantitative and technical. Fundamental analysis is performed on historical and present data, but with the goal of making financial forecasts. There are several possible objectives: (a) to conduct a company stock valuation and predict its probable price evolution; (b) to make a projection on its business performance; (c) to evaluate its management and make internal business decisions; (d) and/or to calculate its credit risk; and (e) to find out the intrinsic value of the share.

When the objective of the analysis is to determine what stock to buy and at what price, there are two basic methodologies investors rely upon: (a) Fundamental analysis maintains that markets may misprice a security in the short run but that the "correct" price will eventually be reached. Profits can be made by purchasing the mispriced security and then waiting for the market to recognize its "mistake" and reprice the security; and (b) Technical analysis maintains that all information is reflected already in the price of a security. Technical analysts analyze trends and believe that sentiment changes predate and predict trend changes. Investors' emotional responses to price movements lead to recognizable price chart patterns. Technical analysts also analyze historical trends to predict future price movement. Investors can use one or both of these different but complementary methods for stock picking. 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: A security analysis methodology for forecasting the direction of prices through the study of past market data, primarily price and volume. A fundamental principle of technical analysis is that a market's price reflects all relevant information, so their analysis looks at the history of a security's trading pattern rather than external drivers such as economic, fundamental and news events. Therefore, price action tends to repeat itself due to investors collectively tending toward patterned behavior – hence technical analysis

focuses on identifiable trends and conditions. Technical analysts also widely use market indicators of many sorts, some of which are mathematical transformations of price, often including up and down volume, advance/decline data and other inputs. These indicators are used to help assess whether an asset is trending, and if it is, the probability of its direction and of continuation. Technicians also look for relationships between price/volume indices and market indicators. Technical analysis employs models and trading rules based on price and volume transformations, such as the relative strength index, moving averages, regressions, inter-market and intra-market price correlations, business cycles, stock market cycles or, classically, through recognition of chart patterns. Technical analysis is widely used among traders and financial professionals and is very often used by active day traders, market makers and pit traders. The risk associated with this type of analysis is that analysts use subjective judgment to decide which pattern(s) a particular instrument reflects at a given time and what the interpretation of that pattern should be.

INVESTMENT STRATEGIES & ASSET CLASSES

Long-Term Purchases: Our firm may buy securities for your account and hold them for a relatively long time (more than a year) in anticipation that the security's value will appreciate over a long horizon. The risk of this strategy is that our firm could miss out on potential short-term gains that could have been profitable to your account, or it's possible that the security's value may decline sharply before our firm make a decision to sell.

Margin Transactions: Our firm may purchase stocks, mutual funds, and/or other securities 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. Margin accounts and transactions are risky and not necessarily appropriate for every client. The potential risks associated with these transactions are (1) You can lose more funds than are deposited into the margin account; (2) the forced sale of securities or other assets in your account; (3) the sale of securities or other assets without contacting you; and (4) you may not be entitled to choose which securities or other assets in your account(s) are liquidated or sold to meet a margin call.

Options: An option is a financial derivative that represents a contract sold by one party (the option writer) to another party (the option holder). The contract offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (exercise date). Options are extremely versatile securities. Traders use options to speculate, which is a relatively risky practice, while hedgers use options to reduce the risk of holding an asset. In terms of speculation, option buyers and writers have conflicting views regarding the outlook on the performance of an

Call Option: Call options give the option to buy at certain price, so the buyer would want the stock to go up. Conversely, the option writer needs to provide the underlying shares in the event that the stock's market price exceeds the strike due to the contractual obligation. An option writer who sells a call option believes that the underlying stock's price will not rise significantly higher than the option's strike price during the life of the option, as that is how he will reap maximum profit. This is exactly the opposite outlook of the option buyer. The buyer believes that the underlying stock will rise significantly higher than the options strike price. If this happens, the buyer will be able to acquire the stock for a lower price and then sell it for a profit. However, if the underlying stock does not close above the strike price on

the expiration date, the option buyer would lose the premium paid for the call option. Since we are primarily option sellers/writers, we transfer this risk to the option buyers/purchasers.

Put Option: Put options give the option to sell at a certain price, so the buyer would want the stock to go down. The opposite is true for put option writers. For example, a put option buyer is bearish on the underlying stock and believes its market price will fall below the specified strike price on or before a specified date. On the other hand, an option writer who shorts a put option believes the underlying stock's price will increase about a specified price on or before the expiration date. If the underlying stock's price closes above the specified strike price on the expiration date, the put option writer's maximum profit is achieved. Selling/Writing Put Options may be used to earn cash for the portfolio, while attempting to acquire desired investments at lower prices. Conversely, a put option holder would only benefit from a fall in the underlying stock's price below the strike price. If the underlying stock's price falls below the strike price, the put option writer is obligated to purchase shares of the underlying stock at the strike price.

The potential risks associated with these transactions are that (1) all options expire. The closer the option gets to expiration, the quicker the premium in the option deteriorates; and (2) Prices can move very quickly. Depending on factors such as time until expiration and the relationship of the stock price to the option's strike price, small movements in a stock can translate into big movements in the underlying options. Since we are primarily option sellers/writers, we transfer these risks to the option buyers/purchasers.

Please Note: Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and the account(s) could enjoy a gain, it is also possible that the stock market may decrease and the account(s) could suffer a loss. It is important that clients understand the risks associated with investing in the stock market, are appropriately diversified in investments, and ask any questions.

(7) Voting Client Securities

- (i) If our firm has, or will accept, proxy authority to vote client securities, a description of our voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6, must be provided.

We do not and will not accept the proxy authority to vote client securities. Clients will receive proxies or other solicitations directly from their custodian or a transfer agent. In the event that proxies are sent to our firm, we will forward them on to you and ask the party who sent them to mail them directly to you in the future. Clients may call, write or email us to discuss questions they may have about particular proxy votes or other solicitations.

ITEM 7: CLIENT INFORMATION PROVIDED TO PORTFOLIO MANAGER(S)

All accounts are managed by our in-house licensed IARs. The IAR selected to manage the client's account(s) or portfolio(s) will be privy to the client's investment goals and objectives, risk tolerance, restrictions placed on the management of the account(s) or portfolio(s) and relevant client notes taken by our firm. Please see our firm's Privacy Policy for more information on how our firm utilizes client information.

ITEM 8: CLIENT CONTACT WITH PORTFOLIO MANAGER(S)

Clients are always free to directly contact their portfolio manager(s) with any questions or concerns about their portfolios or other matters.

ITEM 9: ADDITIONAL INFORMATION

- A. Our firm is required to respond to: 1. Item 9 (Disciplinary Information); and 2. Item 10 (Other Financial Industry Activities and Affiliations) of Part 2A of Form ADV.

We have determined that our firm and management have nothing to disclose under the aforementioned standard.

We have no other financial industry activities and affiliations to disclose.

- B. Our firm is required to respond to: 1. Items 11 (Code of Ethics or Interest in Client Transactions and Personal Trading); 2. Item 13 (Review of Accounts); 3. Item 14 (Client Referrals and Other Compensation); and 4. Item 18 (Financial Information) of Part 2A of Form ADV, as applicable to our wrap fee clients.

1. Code of Ethics, Participation or Interest in Client Transactions & Personal Trading

Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is the underlying principle for our firm's Code of Ethics, which includes procedures for personal securities transaction and insider trading. Our firm requires all representatives to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment with our firm, and at least annually thereafter, all representatives of our firm will acknowledge receipt, understanding and compliance with our firm's Code of Ethics. Our firm and representatives must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided promptly upon request.

Our firm recognizes that the personal investment transactions of our representatives demands the application of a Code of Ethics with high standards and requires that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, our firm also believes that if investment goals are similar for clients and for our representatives, it is logical, and even desirable, that there be common ownership of some securities.

In order to prevent conflicts of interest, our firm has established procedures for transactions effected by our representatives for their personal accounts. In order to monitor compliance with our personal trading policy, our firm has pre-clearance requirements and a quarterly securities transaction reporting system for all of our representatives.

- a) If our firm or a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), our firm must describe our practice and discuss the conflicts of interest it presents.

Neither our firm nor a related person recommends, buys or sells for client accounts, securities in which our firm or a related person has a material financial interest.

- b) If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, our firm is required to describe our practice and discuss the conflicts of interest this presents and generally the conflicts that arise in connection with personal trading are addressed.

Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- c) If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, our firm is required to describe our practice and discuss the conflicts of interest it presents. Our firm is also required to describe generally how conflicts that arise are addressed.

Likewise, related persons of our firm buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request. Further, our related persons will refrain from buying or selling the same securities prior to buying or selling for our clients in the same day unless included in a block trade.

2. Review of Accounts

- a) Review of client accounts, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review

We review accounts on at least a quarterly basis for our clients subscribing to the following service: Asset Management. The nature of these reviews is to learn whether clients' accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Portfolio Managers will conduct reviews.

- b) Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client's life events, requests by the client, etc.

- c) Description of the content and indication of the frequency of written or verbal regular reports provided to clients regarding their accounts.

We do not provide written reports to clients, unless asked to do so. Verbal reports to clients take place on at least an annual basis when we meet with clients who subscribe to the following service: Asset Management.

3. Client Referrals & Other Compensation

- a) If someone who is not a client provides an economic benefit to our firm for providing investment advice or other advisory services to our clients, our firm must generally describe the arrangement. For purposes of this Item, economic benefits include any sales awards or other prizes.

We have nothing to disclose in this regard.

- b) If our firm or a related person directly or indirectly compensates any person who is not our employee for client referrals, our firm is required to describe the arrangement and the compensation.

In accordance with Rule 206 (4)-1 of the Investment Advisers Act of 1940, our firm does not provide cash or non-cash compensation directly or indirectly to unaffiliated persons for testimonials or endorsements (which include client referrals).

4. Financial Information

Our firm is not required to provide financial information in this Brochure because:

- Our firm does not require the prepayment of more than \$1,200 in fees when services cannot be rendered within 6 months.
- Our firm does not take custody of client funds or securities.
- Our firm does not have a financial condition or commitment that impairs our ability to meet contractual and fiduciary obligations to clients.

Our firm has never been the subject of a bankruptcy proceeding.