



VERUS
CAPITAL PARTNERS, LLC

14301 N. 87th Street
Suite 307
Scottsdale, AZ 85260

480-990-3719 - phone
480-483-9742 – fax
www.VerusCapitalPartners.com

March 26, 2024

Part 2A Brochure

This brochure provides information about the qualifications and business practices of Verus Capital Partners, LLC. If you have any questions about the contents of this brochure, please contact us at 480-990- 3719. 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. Verus Capital Partners, LLC is a Registered Investment Advisor. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about Verus Capital Partners, LLC is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Verus Capital Partners, LLC is 151568.

ITEM 2 – MATERIAL CHANGES

This section of the Brochure will address only those “material changes” that have been incorporated since our last annual delivery to clients. Since our annual update in March 2023, we have made the following changes:

- LPL’s Strategic Wealth Management (SWM) program was previously two programs, SWM I and SWM II, the difference between them being whether the client paid their own transaction fees, or the advisor paid those on behalf of the client. SWM I and SWM II have been consolidated into a single program whereby clients pay their own transaction charges unless we elect to pay those on your behalf. See Items 4 and 5 of this brochure for additional information.

We encourage you to read this document in its entirety.

If you would like another copy of this Brochure, please contact our Chief Compliance Officer, Stephen Bull 480-990-3719 or sbull@veruscapitalpartners.com, or you can download it from the SEC Website at www.adviserinfo.sec.gov.

ITEM 3 – TABLE OF CONTENTS

ITEM 2 – MATERIAL CHANGES	2
ITEM 3 – TABLE OF CONTENTS	2
ITEM 4 – ADVISORY SERVICES	3
ITEM 5 – FEES AND COMPENSATION.....	10
ITEM 6– PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT.....	20
ITEM 7 – TYPES OF CLIENTS	20
ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	20
ITEM 9 – DISCIPLINARY INFORMATION	23
ITEM 10 – OTHER FINANCIAL INDUSTRIES AND AFFILIATIONS	23
ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT SECURITIES AND PERSONAL TRADING	24
ITEM 12 – BROKERAGE PRACTICES	25
ITEM 13 – REVIEW OF ACCOUNTS.....	31
ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION	31
ITEM 15 - CUSTODY.....	32
ITEM 16 – INVESTMENT DISCRETION.....	33
ITEM 17 – PROXY VOTING	33
ITEM 18 – FINANCIAL INFORMATION	33

ITEM 4 – ADVISORY SERVICES

This section of our Brochure provides information about Verus Capital Partners, LLC (“Verus,” “firm,” “us,” and “we”) and the investment advisory services we offer.

We are a fee-based investment management firm located in Scottsdale, Arizona, specializing in proactive investment advisory services. The firm was established in 2009 and is wholly owned by One SZ, LLC.

We are committed to helping you build, manage, and preserve your wealth, and to provide assistance to clients to help achieve their stated financial goals. Through our investment advisor representatives (“IAR”), we assess your level of risk tolerance, investment time horizon, and investment objectives and tailor a personalized investment portfolio to fit your specialized needs. Some IARs offer an initial complimentary meeting; however, investment advisory services are initiated only after you and Verus execute an engagement letter or client agreement.

Financial Planning Services

Our specific financial planning services vary somewhat depending on the IAR providing the services to you. Your specific services will be detailed in a written financial planning services agreement. Financial planning services generally include the analysis of your situation and assistance in identifying and implementing appropriate financial planning and investment management techniques to help you meet your specific financial objectives. Such services may include a written financial analysis and specific or general investment and/or planning recommendations.

In preparing your financial plan, we may address any or all of the six areas of financial planning established by the National Endowment for Financial Education and endorsed by the Certified Financial Planner Board of Standards, depending on your specific needs. These include: financial position, protection planning, investment planning, income tax planning, retirement planning, and estate planning.

Our specific services in preparing your plan may include:

- Determination of appropriate income planning strategies for both pre- and post-retirement timeframes;
- Review of existing and proposed investment asset mixes to help you meet your overall financial objectives. This would include a review of risk/return issues and a suggested plan of action consistent with your risk tolerance and overall financial objectives;
- Calculation of your pre-retirement savings and investing needs;
- Assessment of your overall financial position including net worth, cash flow, and debt;
- Comprehensive analysis of IRA-related issues including rollover, distribution, and inheritance planning options;

- Evaluation of strategies designed to maximize the utilization and protection of your IRA assets;
- Estimates of your federal estate taxes and a suggested plan of action to help meet estate planning objectives;
- Review and determination of your life and disability insurance needs;
- Suggestions for minimizing your federal and state income tax obligations;
- Development of investment strategies consistent with your business ownership succession and transition planning;
- Presentation of public or private educational seminars related to any or all of the topics outlined in the preceding items.

Consulting Services

We also provide clients investment advice on topics that may include insurance, tax and budgetary planning, estate planning and business planning.

When both investment management or plan implementation and financial planning services are offered, there is a conflict of interest since there is an incentive for us to recommend products or services for which we or our IARs) may receive compensation as an investment manager. However, as a financial planning client, you are under no obligation to act upon any of our recommendations or to effect the transaction(s) through us if you decide to follow the recommendations. You have sole discretion whether to implement any or all of the IARs' recommendations and are free to select any broker/dealer you wish to implement recommendations.

Ongoing Consultations

You may contract with Verus for ongoing consultation services on any topic(s) of interest. When contracting for ongoing services, you will receive 12 months of ongoing consultations, which will be renewed automatically each year on the anniversary date of the signing of the original agreement, unless terminated by either party. If the services or the fees charged change at the anniversary date, a new client agreement is required.

401(k) Pension Consulting Services

401(k) Pension Consulting consists of advising employers and plan sponsors in establishing, monitoring and reviewing their company's participant-directed retirement plan. As the needs of the plan sponsor dictate, areas of advising could include: investment options, plan structure and participant education.

All 401(k) planning services shall be in compliance with any applicable State law(s) regulating the services provided by this Agreement. This section applies to an account that is a pension or other employee benefit plan governed by the *Employee Retirement Income Security Act of 1974* (ERISA) and/or the *Pension Protection Act of 2006*. If the account is part of a plan and we accept appointment to provide services to the pension, we acknowledge that we are a fiduciary within the meaning of Section 3(21) of ERISA (but only with respect to the provision of services to describe in section 1 of the

agreement). You represent that (i) Our appointment and services are consistent with the plan documents, (ii) You have furnished us with true and complete copies of all documents establishing and governing the plan and evidencing your authority to retain us as an advisor. You further represent that you will promptly furnish us with any amendments to the plan and agree that, if any amendment affects our rights or obligations, such amendment will be binding on us only with our prior written consent. If the account contains only a part of the assets of the plan, you understand that we will not accept responsibilities for the diversification of all the plan's investments, and we will have no duty, responsibility or liability for the assets that are not in the account. If ERISA or other applicable law requires bonding with respect to the assets in the account, you will obtain and maintain at your expense bonding that satisfies this requirement and covers us and any of our affiliates.

Asset Management

We provide discretionary asset management services, including giving investment advice to you based on your individual needs. We typically recommend one of four different broker-dealer/custodial platforms ("custodian" or "platform") to provide flexibility and the ability to offer options for pricing and investment selection.

When you open an account with one of the custodians we recommend, you will make the decision to open the account and we will assist you in establishing the account.

We generally require a minimum of \$250,000 to open an account, although we will grant exceptions to this minimum at the discretion of your IAR.

You may place reasonable restrictions on transactions in certain types of securities or industries; any such restrictions must be in writing and accepted by your IAR.

LPL's Strategic Wealth Management (SWM) Platform

We provide discretionary portfolio management through LPL's SWM platform for clients who choose LPL as their custodian. The default SWM account is structured so that clients pay their own transaction charges in their account.

There is an option for Verus to pay the purchase and sale transaction fees of certain securities on behalf of our client in a SWM account. When Verus pays transactions costs for clients, we pay fees to LPL on either a transaction basis or a flat asset-based fee. When clients do not directly pay for transaction charges in a SWM account, Verus directly, and its IARs indirectly, pay those transaction costs to LPL.

When the charges are transaction-based, the transaction charges we pay vary based on the type of transaction (e.g., mutual fund, equity or ETF) and for mutual funds based on whether or not the mutual fund pays 12b-1 fees and/or recordkeeping fees to LPL. This creates an incentive for us to consider which securities to select and how frequently to place transactions in a SWM account and this presents a conflict of interest for us. Transaction charges paid by the Advisor for equities and ETFs are currently \$9. For mutual funds, the transaction charges range from \$0 to \$26.50; no-transaction-fee mutual funds generally have a higher expense ratio, which the client absorbs through the funds pricing. When

Verus pays the transaction charges in a SWM account, there is a conflict of interest in cases where the mutual fund is offered at both \$0 and \$26.50 because we have a monetary incentive to choose the lower fee option, but this may result in higher ongoing fund costs to the client. As fiduciaries for our clients, we understand that ultimately, we must always make our decision based on the benefit to the client, not the benefit to us, but we want you to be aware that this conflict exists.

In many instances, LPL makes available mutual funds in a SWM account that offer various classes of shares, including shares designated as Class A Shares and shares designed for advisory programs, which can be titled, for example, as “Class I,” “institutional,” “investor,” “retail,” “service,” “administrative” or “platform” share classes (“Platform Shares”). The Platform Share class offered for a particular mutual fund in a SWM account may not be the least expensive share class that the mutual fund makes available, and was selected by LPL in certain cases because the share class pays LPL compensation for the administrative and recordkeeping services LPL provides to the mutual fund. Client should understand that another financial services firm may offer the same mutual fund at a lower overall cost to the investor than is available through SWM accounts. In other instances, a mutual fund may offer only Class A Shares, but another similar mutual fund may be available that offers Platform Shares. Class A Shares typically pay LPL a 12b-1 fee for providing shareholder services, distribution, and marketing expenses (“brokerage-related services”) to the mutual funds. Platform Shares generally are not subject to 12b-1 fees. As a result of the different expenses of the mutual fund share classes, it is generally more expensive for a client to own Class A Shares than Platform Shares. An investor in Platform Shares will pay lower fees over time and keep more of his or her investment returns than an investor who holds Class A Shares of the same fund.

Verus has a financial incentive to recommend Class A Shares in cases where both Class A and Platform Shares are available. This is a conflict of interest which might incline Verus, consciously or unconsciously, to render advice that is not disinterested. Although the client will not be charged a transaction charge for transactions, Advisor pays LPL a per transaction charge for mutual fund purchases and sales in the account. Verus generally does not pay transaction charges for Class A Share mutual fund transactions accounts, but generally does pay transaction charges for Platform Share mutual fund transactions. The cost to Verus of transaction charges generally may be a factor that the Advisor considers when deciding which securities to select and whether or not to place transactions in the account.

The lack of transaction charges to Verus for Class A Share purchases and sales, together with the fact that Platform Shares generally are less expensive for a client to own, presents a significant conflict of interest between Verus and the client. In short, it costs Verus less to recommend and select Class A share mutual funds than Platform shares, but Platform shares will generally outperform Class A mutual fund shares on the basis of internal cost structure alone. Clients should understand this conflict and consider the additional indirect expenses borne as a result of the mutual fund fees when negotiating and discussing with your Advisor the advisory fee for management of an account.

Wrap Fee Accounts

We recommend two options to our clients. Clients may either open a non-wrap fee account on one of the custodial platforms we recommend, or they can open a wrap-fee account on one of the custodial platforms we recommend and use the services of one or more third-party investment managers.

In a non-wrap account, all account activity and transaction fees are incurred by and charged to the client account directly. A non-wrap fee may be more suitable for smaller accounts and other accounts likely to have fewer transactions and less custodial activity, and less likely to use a third-party manager. A non-wrap fee account may cost less than a wrap fee account, depending on the account activity and various charges incurred.

In a wrap fee account, clients don't pay individual transaction and account activity charges. Instead, wrap fee accounts are charged a single fee that includes the costs for brokerage fees, custodial fees, third-party manager fees, and Verus' investment advisory fee. That single fee is then allocated among the different service providers. Clients may incur additional costs which are not included in the wrap fee, which will be disclosed if applicable. A wrap fee is likely to cost you more money than a non-wrap fee because it takes different provider costs into account.

Item 5 of this brochure describes our fees in more detail. For clients considering a wrap fee account, you will receive the wrap fee program brochure of the wrap fee program sponsor, also commonly referred to as an Appendix 1 or Wrap Fee Brochure. The Wrap Fee Brochure provides a complete description of the wrap fee program, including services, fees and other charges.

LPL-Sponsored Wrap Fee Programs

We offer several wrap fee programs sponsored by LPL Financial, LLC (LPL), a registered investment advisor and broker-dealer, and one of the custodians we may recommend to clients. Below is a brief description of each LPL wrap fee program available to Verus clients. For more information regarding the LPL programs, including more information on the advisory services and fees that apply, the types of investments available in the programs and the potential conflicts of interest presented by the programs please see the specific program account packet (which includes the account agreement and LPL Form ADV program brochure, also known as a Wrap Fee Brochure or Appendix 1).

Manager Access Select Program

Manager Access Select offers clients the ability to participate in the Separately Managed Account Platform (the "SMA Platform") or the Model Portfolio Platform (the "MP Platform"). In the SMA Platform, Verus will assist client in identifying a third-party portfolio manager (SMA Portfolio Manager) from a list of SMA Portfolio Managers made available by LPL, and the SMA Portfolio Manager manages client's assets on a discretionary basis. Verus will provide initial and ongoing assistance regarding the SMA Portfolio Manager selection process. In the MP Platform, clients authorize LPL to direct the investment and reinvestment of the assets in their accounts, in accordance with the

selected model portfolio provided by LPL's Research Department or a third-party investment advisor.

A minimum account value of \$50,000 is required for Manager Access Select, however, in certain instances, the minimum account size may be lower or higher.

Optimum Market Portfolios Program ("OMP")

OMP offers clients the ability to participate in a professionally managed asset allocation program using Optimum Funds shares. Under OMP, client will authorize LPL on a discretionary basis to purchase and sell Optimum Funds pursuant to investment objectives chosen by the client. Verus will assist the client in determining the suitability of OMP for the client and assist the client in setting an appropriate investment objective. Verus will have discretion to select a mutual fund asset allocation portfolio designed by LPL consistent with the client's investment objective. LPL will have discretion to purchase and sell Optimum Funds pursuant to the portfolio selected for the client. LPL will also have authority to rebalance the account.

A minimum account value of \$10,000 is required for OMP. In certain instances, LPL will permit a lower minimum account size.

Personal Wealth Portfolios Program ("PWP")

PWP offers clients an asset management account using asset allocation model portfolios designed by LPL. Advisor will have discretion for selecting the asset allocation model portfolio based on client's investment objective. Advisor will also have discretion for selecting third party money managers (PWP Advisors), mutual funds and ETFs within each asset class of the model portfolio. LPL will act as the overlay portfolio manager on all PWP accounts and will be authorized to purchase and sell on a discretionary basis mutual funds, ETFs and equity and fixed income securities.

A minimum account value of \$250,000 is required for PWP. In certain instances, LPL will permit a lower minimum account size.

Model Wealth Portfolios Program ("MWP")

MWP offers clients a professionally managed mutual fund asset allocation program. Verus will obtain the necessary financial data from the client, assist the client in determining the suitability of the MWP program and assist the client in setting an appropriate investment objective. Verus will initiate the steps necessary to open an MWP account and have discretion to select a model portfolio designed by LPL's Research Department consistent with the client's stated investment objective. LPL's Research Department, a third-party portfolio strategist and/or Advisor, through its IAR, may act as a portfolio strategist responsible for selecting the mutual funds or ETFs within a model portfolio and for making changes to the mutual funds or ETFs selected.

The client will authorize LPL to act on a discretionary basis to purchase and sell mutual funds and ETFs and to liquidate previously purchased securities. The client will also authorize LPL to effect rebalancing for MWP accounts.

MWP requires a minimum asset value for a program account to be managed. The minimums vary depending on the portfolio(s) selected and the account's allocation amongst portfolios. The lowest minimum for a portfolio is \$25,000. In certain instances, a lower minimum for a portfolio is permitted.

Small Market Solution ("SMS") Program

Under SMS, LPL Research (a team of investment professionals within LPL) creates and maintains a series of different investment menus ("Investment Menus") consisting of a mix of different asset classes and investment vehicles ("investment options") for clients that sponsor and maintain participant-directed defined contribution plans ("Plan Sponsors"). The Plan Sponsor is responsible for selecting the Investment Menu that it believes is appropriate based on the demographics and other characteristics of the Plan and its participants. LPL Research is responsible for the selection and monitoring of the investment options made available through Investment Menus. The investment options that are offered through SMS are limited to the specific investments available through the record keeper that the Plan Sponsor selects. The Plan Sponsor may only select an Investment Menu in its entirety and does not have the option to remove or substitute an investment option.

In addition to the services described above, Plan Sponsor may also select from a number of consulting services available under SMS that are provided by Verus. These consulting services may include, but are not limited to: general education, and support regarding the Plan and the investment options selected by Plan Sponsor; assistance regarding the selection of, and ongoing relationship management for, record keepers and other third-party vendors; Plan participant enrollment support; and participant-level education regarding investment in the Plan. These consulting services do not include any individualized investment advice to the Plan Sponsor or Plan participants with respect to Plan assets.

Other Third-Party Managers

Verus may recommend clients to other third-party advisors to manage all of or a portion of their assets. When we refer you to another advisor, the client will pay additional fees in addition to any fee paid to Verus. As we describe above, sometimes the account will be managed through a wrap fee program. Wrap fee programs charge a single fee, and that fee is distributed among various service providers, including Verus, your custodian, and other managers, as applicable. You will receive the disclosure brochure of any third-party advisor and wrap fee program we recommend, and you will sign an advisory agreement with that third party that discloses the specific fees you will pay.

We describe wrap fee programs, the costs, and the potential conflicts of interest above in Item 4 and in Item 5.

Assets Under Management

As of December 31, 2023, we managed \$1,564,473,891 in client assets, all on a discretionary basis.

ITEM 5 – FEES AND COMPENSATION

Financial Planning Fees

Financial planning fees may be charged as a fixed fee or on an hourly rate and are negotiable depending upon the client's unique needs. Financial planning fees are determined by the follow factors:

Fixed Fee

Under a fixed fee arrangement, all fees are agreed upon by the client and the IAR in advance of services performed. The fee will be determined based on a variety of factors including your net worth, the complexity of your financial situation, agreed upon deliverables and whether or not you intend to implement any recommendations through Verus and our IARs. The type of fee, and in the case of a fixed fee, the amount of the fee must be agreed upon by you and Verus prior to signing the client agreement. A client can approximate their ultimate fee amount based upon the scope of services and estimated time and resources their services will require. The fee will be estimated by the advisor and fully explained to the client prior to when the client signs the advisory agreement.

Specific factors that are considered when approximating a client's fee are the individuals involved in providing the service to the client. If services provided by CPAs, JDs, or other professionals are needed, that will be a factor in determining the client's fee. Based on the advisor's experience an approximation of the number of work hours and firm resources required to deliver the service will be a factor in approximating the fee. A portion of the fee will be payable upon signing the agreement. The remainder of the fee will be billed upon completion of the service. Any work paid in advance will be completed within six months of the date the fee was paid. Depending upon the agreed upon fee arrangement the fee will either be deducted from client assets or billed directly to the client. The fixed fee will not exceed \$5,000.

Hourly Fee

Under an hourly arrangement, your total cost for financial advisory services will be based on the amount of time spent by our IAR and staff in developing the financial plan. This includes time spent meeting with you, as well as the time spent analyzing your financial objectives and evaluating and documenting alternative strategies. Also included is Para-planner and administrative support staff's time spent on your plan.

Our hourly rates are as follows:

Investment Advisor Representative: \$500 per hour Para-planner: \$100 per hour

Administrative Support: \$50 per hour

Depending upon the agreed upon fee arrangement the fee will either be deducted from client

assets of billed directly to the client. Hourly fees will be billed upon completion of the service. At no time will the fees be based on or related to the performance of your funds or investments.

Termination of Financial Planning Services

Financial planning services terminate upon presentation of the plan. As a financial planning client, you will have a period of five business days from the date of signing the financial planning agreement to unconditionally rescind the agreement and receive a full refund of all fees. Thereafter, you may terminate the financial planning agreement by providing us with written notice. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you. After the initial five business days, you are responsible for the prorated time and effort expended by our IAR prior to receipt of the termination notice. We will provide you with a billing statement summarizing any prorated refund or prorated charge due.

Consultation Fees

We generally charge an hourly fee of no more than \$500/hour and/or fixed fee generally within the range of \$500 to \$5,000, which may be negotiable in certain circumstances, depending upon the level and scope of these services. Depending on the scope and level of services provided that maximum fee would only be charged when justifiable. Most advisors charge a fee that is less than \$500/hour, but we believe that there are circumstances when a maximum fee is warranted, and we will not charge these fees without the client's prior approval. The fee is negotiable based not on the complexity of the client's service, but on the potential for outside resources to be required to complete the service. Each client's services will vary, and thus outside parties such as CPAs, JDs, CFPs, and other specialists may have to be called upon. Circumstances that require resources to be relied upon which aren't detailed in form ADV 2 will be the prominent considerations when negotiating a consultation fee. The total number of hours will be estimated prior to the engagement and the total estimated fees would be specified in our Consulting Agreement. Half of the total amount of fees is due upon the execution of the Consulting Agreement and the remaining is due upon execution of the consultation.

Our hourly rates are as follows:

Investment Advisor Representative: \$500 per hour Para-planner: \$100 per hour

Administrative Support: \$50 per hour

Depending upon the agreed upon fee arrangement the fee will either be deducted from client assets of billed directly to the client.

Termination of Consulting Services

Consultation services terminate upon presentation of the plan. Either party may terminate the agreement at any time by providing written notice to the other party within five days of signing agreement. You will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by you. After the initial five business days, you are responsible for the prorated time and effort expended by the IAR

prior to receipt of the termination notice. We will provide you with a billing statement summarizing any prorated refund or prorated charge due. Refunds will be given on a pro-rata basis.

The fee-paying arrangements for hourly fees charges and/or fixed fees will be determined on a case-by-case basis and will be detailed in the signed agreement for services. You will be invoiced directly for the fixed and hourly fees.

Ongoing Consultations

Fixed fees are charged for this service and are generally not less than \$5,000 annually, payable quarterly in advance. Ongoing consulting fees will be no more than \$15,000 annually. Fees are negotiated with you depending on the complexity of your situation, the IAR providing the services, the actual services provided and any extraordinary expenses that may be incurred in providing the services. The negotiated fee will be disclosed to you prior to services being provided.

Termination of Ongoing Consultations

Either party may terminate the agreement at any time by providing written notice to the other party within five days of signing agreement. You will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by you. After the initial five business days, you are responsible for the prorated time and effort expended by the IAR prior to receipt of the termination notice. We will provide you with a billing statement summarizing any prorated refund or prorated charge due. Refunds will be given on a pro-rata basis.

401K Pension Consulting Services

Fees for 401K Consulting services follow a fee schedule:

Assets Under Management	Annual Fee
\$0 - \$1,000,000	2.50%
\$1,000,001 - \$5,000,000	1.50%
\$5,000,001 - \$25,000,000	1.00%
Over \$25,000,000	0.50%

The fees for investment management will be based on the time weighted value of the account for the previous quarter and is payable quarterly in advance. The first advisory fee is based on the value of the account on the first day of management and is payable within one month after execution of the agreement. The first fee will be accessed on a pro- rata basis taking into account the time for which the account was not managed and the time left in the quarter.

Fees will be automatically deducted from your account. You will be provided with a quarterly statement reflecting deduction of the fee. In addition to our fee, you may also incur certain charges imposed by unaffiliated third parties. Such charges include but not

limited to, custodial fees, brokerage commissions, transaction fees, charges imposed directly by a mutual fund, indexed fund or exchange traded fund purchased for your account which shall be disclosed in the fund's prospectus (i.e. fund management fees and other fund expenses), wire transfer fees and other fees and taxes on brokerage accounts and securities transactions.

Verus may invest a portion of your assets in mutual funds, exchange traded funds (ETFs) or variable annuities. These investments charge an investment management fee on your assets invested in these securities. Therefore, you may pay two levels of fees for the management on your assets, one directly to Verus and one indirectly to the managers of the mutual funds, ETFs or variable annuities held in your portfolios.

Termination of 401(k) Pension Consulting Services

Either party may terminate the agreement at any time by providing written notice to the other party within five days of signing the client agreement. You will incur charges for bona fide advisory services rendered to the point of termination and such fees will be due and payable by you. After the initial five business days, you are responsible for the prorated time and effort expended by our IAR prior to receipt of the termination notice. We will provide you with a billing statement summarizing any prorated refund or prorated charge due. Refunds will be given on a pro-rata basis.

Commission and Fee Offset

Verus and our IARs are also registered representatives and insurance agents. We can earn both fees when providing financial planning services and commissions when selling securities and/or insurance products. If you elect to have the IARs implement transactions, the IARs may waive or reduce the amount of the advisory fee charged by the amount of the commissions received. Any reduction is at the discretion of the IAR and will not exceed 100% of the commission received. Any reduction will be disclosed to you prior to any transactions being implemented with an adjustment made to the final advisory fee charged.

You may also elect to implement the advice of the IARs through one or more of the other advisory programs disclosed in this document. In this case, the IARs may waive or reduce the amount of the advisory fee as a result of additional ongoing fees being earned. Any reduction is at the discretion of the IAR and will be disclosed to you prior to any transactions being implemented, with an adjustment made to the final advisory fee charged.

Asset Management

Fees will generally follow the schedule of assets under management outlined below. In certain instances, fees may be negotiated. Fees are negotiable and factors considered in determining fees charged include, but not limited to:

- Complexity of the client's situation
- Actual services to be provided
- Account composition
- The standard fee charged by Verus and our IARs

- Types of investment guidelines and restrictions imposed by you
- The experience and knowledge level of the IAR providing the service
- Anticipated future assets that will be added to the managed account
- Asset structure and total dollar asset value of the assets to be managed
- Related accounts

The exact fee or fee schedule charged to you will be fully disclosed in the client agreement executed between Verus and you. Fees will never be charged based upon a share of capital gains or capital appreciation in your account.

Our fees will generally follow the schedule of assets under management outlined below. In certain circumstances the fee can be negotiated. In addition to management fees, there are third-party fees, which we detail at the end of this section of our brochure. Transaction fees are billed to the client account when a transaction is made. A transaction fee is different from a commission in that the advisor does not receive any portion of the transaction fee.

For wrap fee program accounts, you will pay the sponsor of the program a single asset-based fee for advisory services. This fee also covers most transaction costs and certain administrative and custodial costs associated with your investments. If you expect to trade infrequently or to pursue a “buy and hold” strategy, a wrap fee program may cost you more than paying for the program’s services separately, and you may want to consider a non-wrap account rather than a wrap account.

There are no commissions charged for transactions. However, LPL may charge transaction fees to your account. In some instances, we may cover these charges at our discretion. Fees and charges will be noted on your statements and confirmations. You may also incur certain charges imposed by other third parties in connection with investments made through your account. These charges can include, but are not limited to, mutual funds sales loads, 12(b)-1 fees and surrender charges, variable annuity commissions and surrender charges, and IRA and qualified retirement plan fees.

In their capacities as registered representatives, IARs may retain a portion of the mutual fund sales loads and 12(b)-1 fees and variable annuity commissions. Management fees charged in the account are separate and distinct from the fees and expenses charged by mutual funds and variable annuities which may be recommended to you. A description of these fees and expenses are available in each fund and annuity’s prospectus.

Annual Advisory Fee for Asset Management

Assets Under Management	Annual Advisory Fee
\$0 to \$500,000	2.5%
\$500,001 and above	2.0%

Management fees will be billed quarterly in advance based upon the market value of the assets on the last day of the quarter as calculated by your custodian.

You are responsible for verifying the accuracy of the fee calculations. The custodian will

not determine whether or not the fee is properly calculated.

If your account is opened mid-period, you will be charged an initial management fee that includes a portion of the fee prorated for the number of days the account is open in the first period.

Management fees will be automatically deducted from your account in accordance with your Verus management agreement and your custodial accounting opening paperwork authorizing the fees to be paid directly from your account. We do not have access to your funds for payment of fees without your consent in writing. Your custodian will send you an account statement at least quarterly that will include a management fee notification. You are encouraged to review your account statements for accuracy.

In addition to management fees, your custodian imposes transactions fees on some trades. Transaction fees are billed to the client account when a transaction is made. In some instances, we may cover these charges at our discretion. Fees and charges will be noted on your statements and confirmations. You may also incur certain charges imposed by other third parties in connection with investments made through your account. These charges can include, but are not limited to, mutual funds sales loads, 12(b)-1 fees and surrender charges, variable annuity commissions and surrender charges, and IRA and qualified retirement plan fees.

In their capacities as registered representatives, IARs may retain a portion of the mutual fund sales loads and 12(b)-1 fees and variable annuity commissions. Management fees charged in the account are separate and distinct from the fees and expenses charged by mutual funds and variable annuities which may be recommended to you. A description of these fees and expenses are available in each fund and annuity's prospectus.

A complete description of the fees and charges relating to the Wrap-Fee Platforms and the fees and charges related to the Wrap-Fee Platform are described in the ADV Part 2A – Appendix 1 - Wrap Fee Brochure. This brochure is developed by the sponsor of the Wrap-Fee program you select, which varies from custodian to custodian. We will provide the Wrap Fee brochure to you prior to or at the time a Wrap-Fee Account is established.

Termination of Asset Management Services

Either party may terminate the agreement for management services by providing written notice to the other. Termination will be effective 30 days after receipt of notice of termination. When terminations happen during the last month of a calendar quarter, Verus may agree to a shorter effective termination date, and it could be longer than 30 days if both parties agree. During that 30-day period, Verus will continue to provide services as needed to complete their work but will not begin any new undertaking. If services are terminated within five business days of signing, services will be terminated without penalty. If the agreement is terminated prior to the last day of the calendar quarter, a prorated portion of the fee paid for that quarter based on the number of days remaining would be refunded to you.

Fees for LPL Wrap Fee Programs

The account fee charged to the client for each LPL advisory program is negotiable, subject to the following maximum account fees:

Manager Access Select	2.50%*
OMP	2.5%
PWP	2.5%
MWP	2.65%**
SMS	0.95%***

** The MWP account fee consists of an LPL program fee, a strategist fee (if applicable) and an advisor fee of up to 2.00%. Accounts remaining under the legacy fee structure may be charged one aggregate account fee, for which the maximum account fee is 2.50%. See the MWP program brochure for more information.

*** The SMS fee consists of an LPL program fee of 0.20% (subject to a minimum program fee of \$250), and an advisor fee of up to 0.75%.

Account fees are payable quarterly in advance, except that the SMS fee is paid in arrears on the frequency agreed to between client and Verus.

Excluding SMS, LPL serves as program sponsor, investment advisor and broker-dealer for the LPL advisory programs.

Under certain circumstances, Verus and LPL share in the account fee and other fees associated with program accounts. Certain associated persons of Verus are also registered representatives of LPL. Under SMS, LPL serves as investment advisor but not the broker-dealer. Under certain circumstances, Verus and LPL share in the advisory portion of the SMS. This presents a conflict of interest because Verus has an incentive to recommend this program to generate greater revenue.

Certain Potential Conflicts of Interest

Verus receives compensation as a result of a client's participation in an LPL program. Depending on, among other things, the type and size of the account, type of securities held in the account, changes in its value over time, the ability to negotiate fees or commissions, the historical or expected size or number of transactions, and the number and range of supplementary advisory and client-related services provided to the client, the amount of this compensation may be more or less than what the Verus would receive if the client participated in other programs, whether through LPL or another sponsor, or paid separately for investment advice, brokerage and other services.

The account fee may be higher than the fees charged by other investment advisors for similar services.

Clients should consider the level and complexity of the advisory services to be provided when negotiating the account fee (or the advisor fee portion of the account fee, as

applicable) with Verus. With regard to accounts utilizing third-party portfolio managers under aggregate, all-in-one account fee structures (including MAS, PWP and the legacy MWP fee structure), because the portion of the account fee retained by Verus varies depending on the portfolio strategist fee associated with a portfolio, Verus has a financial incentive to select one portfolio instead of another portfolio. Please refer to the relevant LPL Wrap Fee Platform program brochure for a more detailed discussion of conflicts of interest.

Third Party Advisory Services

Compensation generally, consists of three elements: i) management and advisory fees shared by the Third-Party Advisory Services, Advisor, and its IARs; ii) transaction costs – if applicable – which may be paid to purchase and sell such securities; and iii) custodial fees.

A complete description of the programs and services provided, the amount of total fees, the payment structure, termination provisions and other aspects of each program are detailed and disclosed in: i) the Third Party Investment Advisory Service's from ADV Part 2; ii) the program wrap brochure (if applicable) or other applicable disclosure documents; iii) the disclosure documents of the portfolio manager or managers selected; or, iv) the Third Party Advisory Service's account opening documents. A copy of all relevant disclosure documents of the Third-Party Advisory Services and the individual portfolio manager(s) will be provided to anyone interested in these programs / managers.

For those clients that require an enhanced and/or specialized level of asset management services, Advisor may also recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment manager(s) and/or investment programs (the "Independent Manager(s)"), based upon the stated investment objectives of the client, including investment managers and/or programs selected and/or recommended by Advisor. The terms and conditions under which the client shall engage Independent Manager(s) shall be set forth in separate written agreements between the client and Verus and the client and the designated Independent Manager(s). Verus shall continue to render advisory services to the client relative to the ongoing monitoring and reviewing of account performance, for which Advisor shall receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager(s). Factors which Verus shall consider in recommending Independent Manager(s) include the client's stated investment objective(s), management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Manager(s) are exclusive of, and in addition to, Advisor's investment advisory fee set forth above. In addition to the fees charged by Verus, the designated Independent Manager(s) and corresponding broker-dealer/custodian, the client, relative to any mutual fund purchases, shall incur charges imposed at the mutual fund level (i.e. advisory fees and other fund expenses).

Additional Fees and Costs

As described, advisory fees payable to us do not include all the fees you will pay when you

open a custodial account and when we purchase or sell securities for your Account(s). The following list are examples of common account transaction and activities fees you may pay directly to third parties, whether a security is being purchased, sold or held in your Account(s) under our management.

- Brokerage commissions;
- Transaction fees;
- Exchange fees;
- SEC fees;
- Advisory fees and administrative fees charged by Mutual Funds (MF) and Exchange Traded Funds (ETFs)
- Advisory fees charged by sub-advisors (if any are used for your account);
- Custodial Fees;
- Deferred sales charges (on MF or annuities);
- Odd-Lot differentials;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Commissions or mark-ups / mark-downs on security transactions;

Please refer to the “Brokerage Practices” for discussion of Verus’ brokerage practices.

Certain investment advisor representatives of Verus are also associated with LPL Financial as broker-dealer registered representatives (“Dually Registered Persons”). In their capacity as registered representatives of LPL Financial, certain Dually Registered Persons may earn commissions for the sale of securities or investment products that they recommend for brokerage clients. They do not earn commissions on the sale of securities or investment products recommended or purchased in advisory accounts through Verus. Clients have the option of purchasing many of the securities and investment products we make available to you through another broker-dealer or investment advisor. However, when purchasing these securities and investment products away from Verus, you will not receive the benefit of the advice and other services we provide.

Advisor and Supervised Persons’ Sources of Compensation:

Verus routinely adds new individuals as investment advisor representatives of our firm. At the same time, some of these individuals will register as broker-dealer representatives of LPL. To assist these new representatives as they transition to Verus and LPL, LPL may offer transition assistance in the form of cash loans (“transaction assistance”) to the representative directly or to Verus on behalf of the representative. While the specific terms of each loan may differ, they are generally structured as forgivable loans and the forgivable loan is always time-based.

In a time-based loan, the loan is forgiven based on the amount of time the representative continues to affiliate with LPL. For example, in a 4-year time-based loan, 25% of the loan is forgiven after one year, another 25% is forgiven after two years, and so forth until the loan is 100% forgiven. LPL typically provides time-based loans with a four- or five-year term.

A time-based loan presents a conflict of interest in that the representative is incentivized to remain at LPL and recommend clients to the LPL platform to keep the representative's revenue production at a high enough level that LPL will retain his or her association through the course of the loan. While the loan itself is not dependent upon meeting any certain revenue levels, LPL could choose to terminate the representative due to low revenue production, and the remaining loan balance then becomes payable to LPL immediately; the representative will owe LPL the remaining balance of the loan.

When acting as an investment advisor representative of Verus, each representative is required to put your interest ahead of his or her own interest. When acting on behalf of LPL, each representative is required to act in your best interests. Whenever your representative recommends an investment product or service, you should ask:

- Whether the representative is acting as an investment advisor or broker-dealer representative;
- The fees and expenses associated with any recommendation;
- How you will benefit from following the new recommendation; and
- Whether comparable products or services are available at a lower cost.

LPL's forgivable loans may be directly between LPL and the registered representative, or they may be between Verus' Managing Partner, Stephen Bull, and LPL where Mr. Bull is the guarantor. When Mr. Bull contracts with LPL for the loan on behalf of the registered representative, Mr. Bull is personally liable for and required to pay any or all of these loans back to LPL if the representative does not stay with LPL for the stated period of time. This gives Mr. Bull an incentive to retain individuals on whose behalf forgivable loans proceeds have been designated so that he is not responsible for paying those funds back to LPL. As the firm's Managing Partner, Mr. Bull has significant influence on compliance and employment decisions. His financial obligations on loans made to representatives could lead to his not responding adequately to apparent compliance violations by representatives whose loans he guarantees, in order to keep those representatives employed (see additional details below). The more likely conflict is that the arrangement creates an incentive to remain with LPL, and recommend LPL's services as broker and custodian, that is directly related to Mr. Bull's financial interests rather than clients' interests in obtaining the best overall custodial and execution services.

Mr. Bull is not required to repay the unpaid balance of any forgivable loan directly between LPL and the representative whose employment with LPL is terminated before the loan is repaid as long as Mr. Bull did not directly receive loan proceeds. Mr. Bull is personally responsible for an unpaid balance of a forgivable loan only when he was a direct recipient of the loan proceeds, and his responsibility is limited to the unpaid balance of funds he personally received.

Mr. Bull is responsible for reviewing client accounts to determine if advisory accounts are being managed in a manner consistent with Verus' fiduciary duty to the client. This presents a conflict of interest for Mr. Bull, as he has an incentive to approve investment plans that increase or retain a representative's production at a level that will continue the representative's employment with LPL, rather than lower-cost products or services that generate no business for LPL. This is in addition to the general short-term incentive to

minimize or ignore compliance concerns that could lead to the representative's termination prior to loan repayment.

Dually licensed investment advisor representatives who are also registered representatives of a broker-dealer may accept compensation for the sale of securities, insurance products, or other investment products, including asset-based sales charges from the sale of mutual funds. They can do so in their capacity as registered representatives, and if they are appropriately licensed to do so.

This practice presents a conflict of interest and presents the advisor's supervised persons a financial incentive to recommend investment products based on the compensation received, rather than on the client's needs. Our firm and its' supervised persons address this conflict of interest by basing investment decisions on behalf of clients not on what pays the supervised person the highest level of compensation, but on what investment is in the best interest of the client. The client's risk tolerance, time horizon, state investment objectives, and investment experience are always taken into consideration when advisors recommend investments. When we recommend mutual funds, the advisor takes into account the implications of share classes, no-load funds, and no transaction fee funds to ensure the best overall value to the client under the circumstances.

Ultimately clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with our firm.

The individuals that are licensed as registered representatives of LPL Financial are subject to regulations that restrict them from conducting securities transactions away from LPL Financial without written authorization from LPL Financial. Clients should, therefore, be aware that for accounts where LPL Financial serves as the custodian, Verus is limited to offering services and investment vehicles that are approved by LPL Financial and may be prohibited from offering services and investment vehicles that may be available through other broker/dealers and custodians.

ITEM 6– PERFORMANCE BASED FEES AND SIDE-BY-SIDE MANAGEMENT

We do not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our advisory fee compensation is charged only as disclosed above in Fees and Compensation.

ITEM 7 – TYPES OF CLIENTS

We provide investment advice to individuals, trusts, pension plans, and estates.

We typically require a minimum of \$250,000 for managed accounts. The IAR may waive this account minimum at his or her discretion.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The method of analysis we utilize is both fundamental and technical. We gather our information for investment purposes from financial newspapers, publications, research prepared by others, corporate rating services, company press releases, annual reports,

prospectuses and filings with the Securities and Exchange Commission.

We determine how to allocate assets among the various asset classes based on the investment strategy chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine to what degree the portfolio should be invested net long¹, short² or neutral.

Once asset allocations are determined for the general asset classes, we then further refine the investment selection by determining where to place emphasis in the portfolio and what to under-emphasize or to avoid. For equities, this involves the determination of how to allocate funds to U.S. vs. foreign stocks, growth style vs. value style and how much to allocate to the various stock capitalizations (i.e. large, midsized, and small companies). For bonds, determination must be made as to the allocation to U.S. vs. foreign, long-term vs. short-term, investment grade vs. high yield, traditional bonds vs. inflation adjusted and taxable vs. tax-free.

For commodities, determination is made as to whether to be long, short or to employ trend-following strategies as well as to determine whether exposure should be sought through commodity stocks or instead through indices that represent the actual commodities. We do not currently invest in commodity contracts directly.

From time-to-time, market conditions may cause your account to vary from the established allocation. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and rebalanced at least annually to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy. Investing in securities involves risk of loss that clients should be prepared to bear.

Under unusual or extreme market conditions, we may move your account to a more defensive posture than the normal strategy allocation, including the possibility of moving to all cash or cash equivalents. We may also use inverse market funds and/or protective options (covered call options and put options) to protect long positions in the account or another unmanaged account. Inverse market funds are designed to move in a direction opposite to the market, asset class or index they seek to target and thus produce gains that help to offset losses in funds that are long the market. Inverse funds may decline in value when the market, asset class or index they target is rising.

One use of inverse funds is the creation of so-called “paired trades” where a long position is established with a corresponding short position. This strategy creates a market neutral position which is less affected by movements in the overall market. Instead, this strategy seeks to benefit from the difference between the asset class or stock-picking skills of the fund manager represented by the long position versus the short position.

While such a strategy may reduce overall market risk, it cannot guarantee a profit and may still result in loss. Inverse funds may also be used to hedge long mutual fund positions and thus avoid short-term trading fees that would otherwise be incurred on the sale of mutual funds subject to a short-term trading fee.

In addition to the annual rebalancing, overall market conditions and microeconomic factors that affect specific holdings in your account may trigger changes in allocation. Such changes would remain within the bounds set by you for each asset type. Your account may also receive informal reviews more frequently.

Investment Philosophy

Prior to making recommendations, we determine your financial status, needs, time-horizon, investment objective, risk tolerance and tax status. This information is used to create an investor profile and from this an asset allocation model is developed. We believe that asset allocation is the primary factor that affects a portfolio's long-term rate of return and effectively allocating assets is more important than selecting specific securities.

You are advised and are expected to understand that our past performance is not a guarantee of future results and that certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account.

Risks

There is principal and material risks involved which may adversely affect the account value and total return. There are other circumstances (including additional risks that are not described here) which could prevent your portfolios from achieving its investment objective. It is important to read all the disclosure information provided and to understand that you may lose money by investing in any of our strategies.

Your account is subject to the following risks:

- **Stock Market Risk** – The value of securities in the portfolio will fluctuate and, as a result, the value may decline suddenly or over a sustained period of time.
- **Managed Portfolio Risk** – The manager's investment strategies or choice of specific securities may be unsuccessful and may cause the portfolio to incur losses.
- **Industry Risk** – The portfolio's investments could be concentrated within one industry or group of industries. Any factors detrimental to the performance of such industries may have a disproportionate impact on your portfolio. Investments focused in a particular industry can be subject to greater risk and are more greatly impacted by market volatility than less concentrated investments.
- **Non-U.S. Securities Risk** – Non-U.S. securities are subject to the risks of foreign currency fluctuations, generally higher volatility and lower liquidity than U.S. securities, less developed securities markets and economic systems and political and economic instability.
- **Emerging Markets Risk** – To the extent that your portfolio invests in issuers located in emerging markets, the risk may be heightened by political changes and changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have traditionally been more volatile than the markets of developed countries with more mature economies.

- **Currency Risk** – The value of your portfolio’s investments may fall as a result of changes in exchange rates.
- **Interest Rate Risk**. The value of fixed income securities rises or falls based on the underlying interest rate environment. If rates rise, the value of most fixed income securities could go down.
- **Credit Risk** - Most fixed income instruments are dependent on the underlying credit of the issuer. If we are wrong about the underlying financial strength of an issuer, we may purchase securities where the issuer is unable to meet its obligations. If this happens, your portfolio could sustain an unrealized or realized loss.
- **Inflation Risk** - Most fixed income instruments will sustain losses if inflation increases or the market anticipates increases in inflation. If we enter a period of moderate or heavy inflation, the value of your fixed income securities could go down.

ITEM 9 – DISCIPLINARY INFORMATION

In June of 2021, the SEC found Verus failed to disclose its conflicts of interest arising from its investment advisor representatives receiving over \$1 million in forgivable loans from a third-party broker-dealer and its affiliates between 2010 and 2020. The broker-dealer and its affiliates tied forgiveness of the loans to annual revenue targets, including brokerage commissions and advisory fees, or to the maintenance of the relationship between the Verus representatives and the broker-dealer for a certain number of years. In not disclosing the conflicts of interest completely and accurately to clients or in public filings, the SEC found Verus to have violated Section 206(2) of the Advisers Act. Without admitting or denying the SEC’s findings, Verus consented to the entry of the SEC's order censuring the firm and requiring it to cease and desist from further violations, comply with an undertaking to retain an independent compliance consultant, and pay a \$45,000 penalty.

ITEM 10 – OTHER FINANCIAL INDUSTRIES AND AFFILIATIONS

Verus has an affiliated software company, Citius Advisor Solutions, LLC (“Citius”), whose principal ownership is One SZ, LLC, the same as Verus. Citius has developed a proprietary software designed to assist investment advisors with reporting and billing needs. Citius currently offers this platform only to its own affiliate, Verus, but in time will offer this platform to unaffiliated investment advisers also. We do not believe this affiliate creates any conflicts of interest for our clients. We have strong walls in place for security and privacy purposes, not just for our own clients, but for other investment advisers and their clients as well.

Verus is not a broker/dealer, but some of our IARs are registered representatives of LPL Financial LLC (“LPL”), a full-service broker/dealer, member FINRA/SIPC. When placing securities transactions through LPL in their capacity as registered representatives, they earn sales commissions. Because the IARs are dually registered agents of LPL and Verus, LPL has certain supervisory duties required by their primary regulators, the SEC and FINRA. While LPL maintains supervisory and administrative relationships with Verus’ IARs, LPL and Verus are not affiliated companies.

Verus also receives back office and administrative support services from LPL. When doing so, LPL will receive a portion of the management fee or an administrative fee for the

services provided. This fee will be charged as a portion of Verus' fee and will not be an additional fee billed to you.

Additionally, as registered representatives, they also receive compensation from mutual fund sales loads, 12(b)-1 distribution fees, variable annuity sales commissions or trail commissions. The 12(b) - 1 distribution fees, sales charges and other fee arrangements will be disclosed upon your request and are typically described in the applicable fund and/or annuity prospectus. Any fees or other compensation received by the IARs in their separate capacities as registered representatives will be received to the extent permitted by applicable law.

Some IARs are also licensed insurance producers and receive commissions from insurance products they sell to clients. The IAR will only recommend an insurance product to an advisory client when the IAR believes the product and its related costs to be in the best interests of the client. Our clients are never obligated to purchase an insurance product from their Verus representative and may instead choose to purchase insurance from an unaffiliated insurance producer, or not to purchase insurance at all.

External Custodian Disclosure

As discussed previously, certain associated persons of Verus are registered representatives of LPL. As a result of this relationship, LPL has access to certain confidential information (e.g., financial information, investment objectives, transactions and holdings) of Verus' clients, even if the client does not establish any account through LPL. If you would like a copy of the LPL Financial privacy policy, please contact us at 480-990-3719."

Certain employees of Verus are Dually Registered Persons. LPL is a broker-dealer that is independently owned and operated and is not affiliated with Verus. Please refer to Item 12 for a discussion of the benefits Verus may receive from LPL and the conflicts of interest associated with receipt of such benefits.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT SECURITIES AND PERSONAL TRADING

Our IARs are allowed to invest for their own accounts or have a financial interest in the same securities or other investments that we recommend or acquire for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates a conflict of interest. We recognize the fiduciary responsibility to place your interests first and have established policies in this regard to avoid any potential conflicts of interest.

We have developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all

times, protect the reputation of Verus, guard against violation of the securities laws, and establish procedures for personnel to follow so that we may determine whether their personnel are complying with the firm's ethical principles.

All advisory personnel are required to report to the Firm's Chief Compliance Officer initial and annual holdings and quarterly transactions in reportable securities, as defined in the Code and the Chief Compliance Officer is responsible for reviewing such reports. The Code also sets forth general standards of conduct and practices to be followed by all personnel to minimize conflicts of interest, including restrictions on gifts to or from brokers, clients and others, restrictions on service on the boards of other companies, restrictions on participation in investment clubs and policies designed to prevent personal trading conflicts. In addition, the Code (including the Firm's Insider Trading Policy Statement) includes provisions designed to prevent and enforce the Firm's strict policy against the misuse of material non-public information by all personnel. The Firm's Chief Compliance Officer is responsible for the oversight and administration of the Code.

All associated persons sign a letter of acknowledgment that they have read the Personal Trading Policy, fully understand it and will abide by it at all times while under the employ of Verus.

We have established the following restrictions in order to ensure our firm's fiduciary responsibilities:

1. A director, officer or employee of Verus must not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No director, officer or employee of Verus shall prefer his or her own interest to that of the advisory client.
2. We maintain a list of all securities holdings for itself, and anyone associated with this advisory practice with access to advisory recommendations. We regularly review client securities holdings and the securities holdings of associated persons with access to advisory recommendations.
3. We emphasize the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
4. We emphasize the unrestricted right of the client to select and choose any broker-dealer (except in situations where we are granted discretionary authority) he or she wishes.
5. We require that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
6. Any individual not in observance of the above may be subject to termination.

If current or potential clients wish to review our Code of Ethics in its entirety, a copy may be requested from any IAR or our Chief Compliance Officer and it will be provided promptly.

ITEM 12 – BROKERAGE PRACTICES

We routinely recommend that you establish accounts with a custodian that is also a

registered broker/dealer to maintain custody of your assets and to effect trades for your account. We are independently owned and operated and not affiliated with any custodian. The custodian provides us with access to institutional trading and custodial services. These services include brokerage, custody, economic benefits, research, and access to mutual funds and other investment that are otherwise generally available only to institutional investors.

For our client accounts maintained with the various custodians, the custodians generally do not charge separately for custody, but are compensated by account holders through commissions, asset-based fees, cash balances, margin balances, and other transaction and account related fees.

You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer we recommend. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability and compatibility with the client. We recommend Charles Schwab, Fidelity, and LPL to our clients because of the range of custodial and transacting services that these firms offer to clients and the relative value given their fees and costs. You may be able to obtain lower commissions and fees from other brokers. The value of products, research, and services provided to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

Since some of our IARs are registered representatives of LPL, a full-service broker/dealer, member FINRA/SIPC, when selling securities products in this separate capacity, the representatives earn commissions. Verus does not permit dually registered representatives to charge commissions on advisory client accounts. If the account is charged a transaction fee, that fee is paid entirely to the custodian and no part of that is paid to Verus or your Verus advisory representative.

Verus does not allow directed brokerage, meaning that clients cannot direct the IARs to use a specific broker/dealer to implement the transactions. Because of these limitations, you may pay higher or lower commission rates and transaction costs than if they implemented transactions through another broker/dealer.

Best Execution

Although we do not allow directed brokerage, we must still use reasonable diligence to make certain that best execution is obtained for you when implementing any transactions. Best execution does not necessarily mean that you receive the lowest possible commission costs but that the qualitative execution is best. In other words, all conditions surrounding the transaction execution is in the best interests of our clients.

IARs will look at a number of factors besides prices and rates including, but not limited to:

- Execution capabilities (e.g., market expertise, ease/reliability/timeliness of execution, responsiveness, integration with existing systems of the applicant, ease of monitoring investments)
- Products and services offered (e.g. investment programs, back office services,

- technology, regulatory compliance assistance, research and analytic services)
- Financial strength, stability and responsibility
- Reputation and integrity

Verus will perform periodic reviews to determine that the relationship with all of the firm's custodians is still in the best interests of our clients.

Block Trades

Transactions for each managed client account will generally be effected independently. However, we may use block or batch trades to facilitate best execution, to reduce brokerage costs and/or commissions, and to provide fair and equitable prices among client accounts. When performing a block trade, we then allocate those trades to clients on a pro-rata basis. We will keep records of all block or batch trades. Neither Verus nor our IAR will receive any additional compensation as a result of using block or batch trades.

Soft Dollar

Investment advisors may direct portfolio brokerage commissions to a particular broker/dealer in return for services and research used in making investment decisions in client accounts. The commissions used to acquire these services and research are known as "soft dollars." Section 28(e) of the *Securities Exchange Act of 1934* provides a "safe harbor" that allows an investment advisor to pay more than the lowest available commission for brokerage and research services if it determines in good faith that the commission paid was reasonable in relation to the brokerage and research services provided.

Although we do not allow directed brokerage, we may still receive products and services from LPL, or other program sponsors and product issuers. These products and services may be used for both research and non- research purposes and allows us to supplement, at no cost, our own research and analysis activities. These products and services can include, but are not limited to:

- Reports, publications and data on matters such as the economy, industries, sectors and individual companies or issuers, statistical information, account and law interpretations, political analysis, legal developments affecting portfolio securities, technical market actions, credit analysis, risk management and analysis of corporate responsibility issues
- On-line news services and financial and market database services
- Information management systems, integrating quotation and trading, performance management, accounting, recordkeeping and document retrieval and other administrative matters
- Meetings, seminars, workshops and conferences with representatives of issuers, program sponsors and/or other analysts and specialists

Research obtained with soft dollars is not necessarily utilized for the specific accounts that generated the soft dollars. Verus does not attempt to allocate the relative costs or benefits of research among clients because it believes that, in the aggregate, the research it receives

benefits all clients and assists Verus in fulfilling our overall duty to you.

These arrangements may be deemed to create a conflict of interest to the extent that we would have to pay for some or all of the research and/or services with “hard dollars” if we were unable to obtain the research and services in exchange for commissions in connection with client transactions. We may have an incentive to select or recommend a broker-dealer based on our interest in receiving the research or other products or services, rather than on our clients’ interest in receiving the most favorable execution. Your trades will always be implemented based on your goals and objectives and not on any research, products or other incentives available.

Given all of the aforementioned brokerage practices, our firm does not consider research and other soft dollar benefits; brokerage for client referrals; and directed brokerage when performing due diligence on broker/dealer and custodian options.

Institutional Advisor Programs

Verus participates in the institutional advisor programs (the “program”) offered by Fidelity Institutional SM a division of Fidelity Investments, member FINRA/SIPC, (“Fidelity”), and Charles Schwab & Co., Inc., member FINRA/SIPC, (“Schwab”). These custodian/broker-dealers (referred to in this brochure as custodians, broker-dealers, or custodian/broker-dealers) offer independent investment advisors services which include custody of securities, trade execution, clearance, settlement of transactions, and additional services. Verus receives some benefits from all of these custodians through its participation in their institutional programs.

There is no direct link between Verus’ participation in the program and the investment advice it gives to its clients. Although, Verus receives economic benefits through its participation in the programs that are typically not available to retail clients using those same custodian/broker-dealers. These benefits include discounted or free products and services provided by the custodian or third-party vendors, research related products and tools, consulting services, access to a trading desk and block trading, mutual funds with no transaction fees, and to certain institutional money managers.

Through its Schwab relationship, Verus receives discounts for services provided by Citius Advisors Solutions, LLC or “CAS.” CAS provides products and services related to billing, automation, compliance, and portfolio reporting. These services benefit Verus, IARs, and clients. CAS helps Verus and its IARs by providing consolidated back-office services, compliance reporting, and an enhanced customer experience.

Additionally, Verus receives discounted investment related research provided by Birinyi Associates Inc. and Investech Research. Fundamental and technical analysis provided by these two vendors aid in Verus’ ability to make informed investment decisions.

Any one or all of the custodians may also have paid for business consulting and professional services received by Verus’ related persons. Some of the products and services may benefit Verus and its affiliates but may not directly benefit client accounts.

As part of its fiduciary duties to clients, Verus endeavors always to put the interests of its

clients first. Clients should be aware that the receipt of economic benefits by Verus or its related persons in and of itself creates a potential conflict of interest and may indirectly influence Verus' choice of a particular custodian/broker-dealer for custody and brokerage services. Each custodian/broker-dealer considers the profitability of the assets held and transactions placed in Verus' client accounts when determining whether to allow Verus' participation in the program. Participation in the program does not diminish Verus' duty to act in the best interest of its clients.

LPL Financial

Verus receives support services and/or products from LPL Financial, many of which assist Verus to better monitor and service program accounts maintained at LPL Financial; however, some of the services and products benefit Verus and not client accounts. These support services and/or products may be received without cost, at a discount, and/or at a negotiated rate, and may include the following:

- investment-related research
- pricing information and market data
- software and other technology that provide access to client account data
- compliance and/or practice management-related publications
- consulting services
- attendance at conferences, meetings, and other educational and/or social events
- marketing support
- computer hardware and/or software
- other products and services used by Verus in furtherance of its investment advisory business operations

LPL Financial may provide these services and products directly or may arrange for third party vendors to provide the services or products to Advisor. In the case of third-party vendors, LPL Financial may pay for some or all of the third party's fees.

These support services are provided to Verus based on the overall relationship between Verus and LPL Financial. It is not the result of soft dollar arrangements or any other express arrangements with LPL Financial that involves the execution of client transactions as a condition to the receipt of services. Verus will continue to receive the services regardless of the volume of client transactions executed with LPL Financial. Clients do not pay more for services as a result of this arrangement. There is no corresponding commitment made by the Verus to LPL or any other entity to invest any specific amount or percentage of client assets in any specific securities as a result of the arrangement. However, because Advisor receives these benefits from LPL Financial, there is a potential conflict of interest. The receipt of these products and services presents a financial incentive for Advisor to recommend that its clients use LPL Financials' custodial platform rather than another custodian's platform.

LPL Oversight Fee for Assets Held Away

As stated previously, some individuals associated with Verus are licensed as registered

representatives of LPL Financial. As a result of this licensing relationship, LPL Financial is responsible for supervising certain activities of Verus to the extent Verus manages assets at a broker/dealer and custodian other than LPL Financial. LPL Financial charges a fee for this oversight. This presents a conflict of interest in that Verus has a financial incentive to recommend that you maintain your account with LPL Financial rather than another custodian in order to avoid the oversight fee. However, to the extent Verus recommends you use LPL Financial for such services, it is because Verus believes that it is in your best interest to do so based on the quality and pricing of the execution, benefits of an integrated platform for brokerage and advisory accounts, and other services provided by LPL Financial.

Recommendation of LPL Financial

For Verus' client accounts custodied at LPL Financial, LPL Financial generally is compensated by clients through commissions, asset-based fees, trails, account activity fees, and transaction-based fees for trades executed through LPL Financial or that settle into LPL Financial accounts. For IRA accounts, LPL Financial generally charges account maintenance fees. In addition, LPL Financial also charges clients miscellaneous fees and charges, such as account transfer fees. LPL Financial charges Verus an asset-based administration fee for administrative services provided by LPL Financial. Such administration fees are not directly borne by clients but may be taken into account when Verus negotiates its advisory fee with clients.

While LPL Financial does not participate in, or influence the formulation of, the investment advice Verus provides, certain supervised persons of Verus are Dually Registered Persons. Dually Registered Persons are restricted by certain FINRA rules and policies from maintaining client accounts at another custodian or executing client transactions in such client accounts through any broker-dealer or custodian that is not approved by LPL Financial. As a result, the use of other trading platforms must be approved not only by Verus, but also by LPL Financial.

Clients should also be aware that for accounts where LPL Financial serves as the custodian, Verus is limited to offering services and investment vehicles that are approved by LPL Financial and may be prohibited from offering services and investment vehicles that may be available through other broker-dealers and custodians, some of which may be more suitable for a client's portfolio than the services and investment vehicles offered through LPL Financial.

Clients should understand that not all investment advisors recommend or require, that their clients custody their accounts and trade through specific broker-dealers.

Clients should also understand that LPL Financial is responsible under FINRA rules for supervising certain business activities of Verus and its Dually Registered Persons that are conducted through broker-dealers and custodians other than LPL Financial. LPL Financial charges a fee for its oversight of activities conducted through these other broker-dealers and custodians as described above in this section.

ITEM 13 – REVIEW OF ACCOUNTS

Portfolio Review

We monitor client portfolios on a continuous and ongoing basis. Such reviews are conducted by your IAR and/or our principals, Stephen Bull and Zachary Mason. We encourage our clients to discuss their needs, goals and objectives with their IAR and to keep us informed of any changes.

We review client accounts at least annually. The reviews ensure that the investment plan continues to be implemented which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment.

Financial planning services terminate upon presentation of the financial plan or completion of the consultation. Therefore, no reviews are conducted for financial planning accounts. However, we recommend you have your financial situation reviewed at least annually and your financial plan updated when necessary. If you elect to undertake this review and update, a new client agreement will be required, and additional fees may be charged.

Reports

We prepare periodic reports for clients. You will also receive transaction confirmations and statements at least quarterly from the custodian holding your account. Collectively, these reports will list your account holdings, transactions, and fees paid. You are strongly urged to compare any performance reports we provide to you with the official account statements you receive from the custodian.

Financial planning/Consulting clients may receive one or more report as part of the contracted service, but do not receive regular reports from us.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Our IARs sell securities and insurance products in their separate capacities as registered representatives and independent insurance agents. Verus does not permit our representatives to charge commissions on securities products in advisory client accounts. However, they will earn standard and customary commissions on insurance products they sell to clients. Your IAR's brochure supplement will disclose if he or she is a registered representative, insurance producer, or engaged in any other business activities.

We may select and monitor third party money managers to manage client assets. When soliciting for money managers, we will receive a portion of the fees paid to the money manager. Your account platform provider may also receive a portion of the fee or a marketing override for fees paid to approved money managers. Receiving direct or indirect compensation for the placing of money with third party money managers creates a material conflict of interest, because our representatives have an incentive to place assets based on compensation. We address this material conflict of interest by placing assets solely on the suitability information provided by the client and documented on account applications.

From time to time, we may receive expense reimbursement for travel and/or marketing

expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

We may also rely on sponsors for the support of client meeting (seminars, workshops, client appreciation events, etc.) both in the form of content, such as handouts and speakers, as well as to cover the costs of those functions.

These expense reimbursements and payment of costs we incur create an incentive for our IARs to consider investments from one sponsor over another. We have a fiduciary obligation to put our clients' interests ahead of our own and have tried to minimize the impact of these incentives by limiting the amount. We also require pre-approval for IARs when the reimbursement or cost is over the de minimis allowed by our firm. These activities are reviewed and approved in advance in accordance with FINRA and SEC compliance guidelines by Verus, as appropriate.

Neither the Advisor nor a related person to the Advisor directly or indirectly compensates any person (who is not our supervised person) for client referrals.

Institutional Advisor Programs

As described in Item 12 of this brochure, Verus participates in the institutional advisor programs offered by the different custodians we recommend to our clients. The details of these programs, including the conflicts of interests present with our participation in these programs is detailed above in Item 12 of this brochure.

ITEM 15 - CUSTODY

All Client account assets are held by a qualified custodian. Verus periodically reviews clients' custody relationships to ascertain their effectiveness, responsiveness and costs. Verus, however, is not responsible for the actions of a client's custodian.

While Verus does not hold client assets, our client advisory agreement and the client's custodial account paperwork give us a limited form of custody, the authority to deduct our advisory fees directly from client accounts and facilitate third-party payments from client accounts. When we facilitate payments to third parties, we do so only upon signed standing letters of authorization from the client. We comply with the seven conditions identified by the SEC in no-action guidance issued on this topic.

Clients should carefully review account statements received directly from the qualified custodian. We also urge you to compare the account statement you receive from your qualified custodian with the statements provided by us.

ITEM 16 – INVESTMENT DISCRETION

We typically provide our asset management services on a discretionary basis. Clients execute our asset management agreement, which contains a limited power of attorney permitting us to trade on the client's behalf without first obtaining permission from the client.

ITEM 17 – PROXY VOTING

We do not vote proxies on behalf of clients. You must ensure that proxy materials are sent directly to you or your assigned third party. You designate proxy voting authority in the custodial account documents. Based on your direction you will either receive proxies directly or you will receive them from the custodian. Verus will not distribute proxies or other solicitations. Clients may contact Verus to ask questions about a particular solicitation or proxy. We do not take action with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

ITEM 18 – FINANCIAL INFORMATION

We are not aware of any financial condition that is reasonably likely to impair our ability to meet our contractual commitments to you. Verus Capital Partners, LLC does not require or solicit prepayment of more than \$1200 in fees per client, six months or more in advance. Verus Capital Partners, LLC has not been the subject of a bankruptcy petition at any time in the past ten years.