

**Cover Page - Item 1**

**Form ADV Part 2A Brochure**

**SAGE Private Wealth Group, LLC**

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**March 28, 2024**

**Form ADV Part 2A Brochure**

SAGE Private Wealth Group, LLC is a registered investment adviser. An "investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities. Registration with the SEC or any state securities authority does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of SAGE Private Wealth Group, LLC. If you have any questions about the contents of this brochure, please contact us at 630-933-0000. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about SAGE Private Wealth Group, LLC is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Material Changes - Item 2**

The purpose of this page is to inform you of any material changes since the previous version of this brochure.

On March 28, 2024, we submitted our annual updating amendment filing for fiscal year 2023. There were no material changes to report.

We review our brochure at least annually to make sure that it remains current. If you would like to receive a complete copy of our current brochure free of charge at any time, please contact us at 630-933-0000.

**Table of Contents - Item 3**

**Contents**

Cover Page - Item 1.....	0
Material Changes - Item 2.....	1
Table of Contents - Item 3 .....	2
Advisory Business - Item 4 .....	3
Fees and Compensation - Item 5 .....	7
Performance-Based Fees and Side-By-Side Management - Item 6 .....	10
Types of Clients - Item 7.....	10
Methods of Analysis, Investment Strategies and Risk of Loss - Item 8.....	11
Disciplinary Information - Item 9 .....	15
Other Financial Industry Activities or Affiliations - Item 10.....	15
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading - Item 11 .....	16
Brokerage Practices - Item 12 .....	17
Review of Accounts - Item 13 .....	18
Client Referrals and Other Compensation - Item 14 .....	19
Custody - Item 15 .....	19
Investment Discretion - Item 16 .....	20
Voting Client Securities - Item 17 .....	20
Financial Information - Item 18 .....	20
Requirements of State-Registered Advisers - Item 19.....	20
SAGE Private Wealth Group, LLC Privacy Notice .....	20

#### Advisory Business - Item 4

SAGE Private Wealth Group, LLC ("SPWG" or the "firm") is a limited liability company formed under the laws of the State of Illinois. We have been providing investment advisory services since 2014. The firm's current principal owners are Khaled Awad Taha and Noha ElShareif-Taha. Currently, we offer financial planning services personalized to each individual Client.

The following paragraphs describe what we do and what we charge. Each investment advisory service listed below describes how we tailor our advisory services to your individual needs. Also, you may see the term "Associated Person" throughout this Brochure. As used in this Brochure, this term refers to anyone from our firm who is an officer, employee, and all individuals providing investment advice on behalf of our firm. Where required, such persons are properly registered as Investment Adviser Representatives ("IARs").

Below is a detailed description of our services:

#### **Financial Planning Services**

We offer broad-based financial planning which includes a variety of services, mainly advisory in nature, regarding management of financial resources. Such management is based upon an analysis of the Client's individual needs and begins with an initial consultation. Once we collect and analyze all documentation, we provide a financial plan designed to achieve the Client's financial goals and objectives. The plan may be delivered in writing, or in the form of one or more meeting or telephone consultations. In this way, SPWG assists the Client in developing a strategy for the successful management of income, assets, and liabilities. In general, financial planning services may include any one or all of the following, along with any other investment related topic that the client would like to discuss:

- Cash Flow Analysis – Assessment of a Client's present financial situation by collecting information regarding net worth and cash flow statements, tax returns, insurance policies, investment portfolios, pension plans, employee benefit statements, etc. The firm advises on ways to reduce risk, coordinate, and organize records, and estate information.
- Retirement Analysis – Identification of a Client's long-term financial and personal goals and objectives includes advice for accumulating wealth for retirement income or appropriate distribution of assets following retirement. Tax consequences and implications are identified and evaluated.
- Insurance Analysis – Includes risk management associated with advisory recommendations based on a combination of insurance types to meet a Client's needs, e.g., life, health, disability, and long-term care insurance. This will necessitate an analysis of cash needs of family at death, income needs of surviving dependents, and disability income analysis.
- Portfolio Analysis/Investment Planning – We provide investment alternatives, including asset allocation, and effect on a Client's portfolio. We evaluate economic and tax characteristics of existing investments as well as their suitability for a Client's objectives. We identify and evaluate tax consequences and their implications.
- Education Savings Analysis – Alternatives and strategies with respect to the complete or partial funding of college or other post-secondary education.
- Estate Analysis – We provide advice with respect to property ownership, distribution strategies, estate tax reduction, and tax payment techniques.
- Elder Care Planning – We provide advice with respect to Client matters related to periods of incapacity and cognitive decline.
- Corporate Executive Planning – Concentrated stock holdings may result from company stock options, mergers, acquisitions, IPOs, or other events and are an important consideration when doing proper planning for experienced executives.

The recommendations and solutions are designed to achieve the desired goals subject to periodic evaluation of the financial plan, which may require revision to meet changing circumstances. Financial plans are based on a

Client's financial situation based on the information provided to the firm. We should be notified promptly of any change to a Client's financial situation, goals, objectives, or needs.

#### **Portfolio Management Services**

Our firm offers continuous discretionary and, in limited cases, non-discretionary portfolio management services to our Clients. Discretionary portfolio management means we will make investment decisions and place buy or sell orders in your account without contacting you prior to each transaction. These decisions are made based upon your stated investment objectives. Non-discretionary portfolio management service means that we must obtain your approval prior to making any transactions in your account.

Our investment advice is tailored to meet our Clients' needs and investment objectives. Once our firm is hired to manage a client's portfolio, we adhere to a diligent process to ensure we gather the necessary information to meet your financial objectives. This begins with a discovery meeting with the objective of gathering necessary financial information, followed by determining a client's financial goals and evaluating risk tolerance for investments. The information we gather will help us create a financial plan and implement an asset allocation strategy that will be specific to your goals, whether we are actively investing for you or simply providing you with advice. We will monitor your portfolio's performance on a continuous basis and rebalance the portfolio whenever necessary, as changes occur in market conditions, your financial circumstances, or both. If you retain us for non-discretionary basis, we will contact you for prior approval before rebalancing.

SPWG mainly uses equity securities, corporate debt securities, municipal debt securities, certificates of deposit, exchange traded funds, mutual funds, U.S. government securities and options in its portfolio management programs. When suitable, we may also use private placements and alternative investments. We also advise Clients on any investment held in their portfolio at the inception of services.

We recommend that you review the statement(s) you receive from the qualified custodian. Please call our office number, located on the cover page of this brochure, if you have any questions about your statement.

#### **Family Office Services**

SPWG provides family office services that are uniquely designed to help families coordinate their multiple forms of capital using a holistic and collaborative team approach combining the many elements inherent to a successful life with wealth. Our collective experiences support our belief that a dedicated team of independent and objective professionals working in collaboration with each other in partnership with the family is the best way to serve families of significant wealth. Such a relationship enhances SPWG's ability to advise families on the opportunities and risks that their wealth presents allowing families to make better, educated decisions.

Initially, SPWG meets with the prospective Client to obtain information about their overall situation. This information is used to assist SPWG in understanding a Client's needs and the scope of services that are most appropriate for the Client's situation. The family office services SPWG will provide will be specifically described in the Family Office Services Agreement you enter into with our firm. Additional services beyond the scope of the Family Office Services Agreement may be provided under separate agreement(s) and may include a separate fee as mutually agreed to by SPWG and the Client.

Our family office services vary by family and occasionally within families, but may include the following:

- **Portfolio Management Services** – Includes development of asset allocation, ongoing portfolio management, and review, including selection and evaluation of investment managers. Further, we may provide customized performance reporting at the portfolio level and at the manager or specific investment level. Additional information about our portfolio management services is provided in the portfolio management services section above.
- **Information Management and Coordination** – We organize key information and coordinate such information with the family, the family's accountant, attorney, insurance agents, and other key advisors.

- Estate, Gift & Trust Planning – We provide explanations, summaries, and illustrations of existing and proposed estate planning documents and strategies, including recommendations and education on additional strategies, considerations for making updates periodically and further coordination with family's tax and legal advisor(s) to implement agreed upon strategies or updates.
- Income Tax Planning – Includes planning for the minimization of tax liabilities, including asset location, tax loss harvesting and gain minimization planning, charitable asset selection, facilitation of income tax payments and coordination with family's tax advisor(s).
- Financial Planning – Includes planning related to cash flow analysis, capital sufficiency modeling, lifestyle goals, credit usage, major asset purchases or liquidations, and significant life events.
- Philanthropic Planning – Includes defining philanthropic goals, education on philanthropic vehicles and strategies for maximizing the benefits of philanthropy across the family and the organizations they choose to benefit.
- Education – Includes both individual and group-based learning sessions around various planning, tax, investment and other topics with an intention of growing not only the family's financial capital, but non-financial capital as well. These topics while commonly focused on younger generations are generally available across all generations.
- Family Meetings – Includes facilitation of family meetings often across multiple generations around shared ownership, philanthropy, decision-making or shared goals and objectives.
- Assistance with Trust Administration – Includes advice around trustee selection and ongoing guidance, general understanding of trust purposes and provisions. Often involves education for grantors, trustees, and beneficiaries on their respective roles and responsibilities.
- Consolidated Reporting Services – Allows the family to customize how their assets are reported by offering a view across multiple accounts or entities in a single statement and/or to segregate assets within accounts. This service may include assets not generally managed by SPWG such as closely held private family assets. Allows the family and their advisors to understand and monitor the total family balance sheet and provide comprehensive and integrated advice from a vantage point inclusive of the family's entire wealth landscape. This may require an additional fee depending on the nature and complexity of the non-managed assets being reported on. Any additional fees will be mutually agreed to in advance.
- Asset Protection Planning and Review – Includes review and discussion of strategies that may avoid or minimize a portion of a family's balance sheet at risk. These strategies will be evaluated on the benefits they may provide against the degree and likelihood of loss and the complexity and administration they may require to achieve such protections.
- Liability Risk Management Planning and Review – Includes advice on a combination of mitigation strategies including the use of special purpose entities, trusts, and/or various insurance tools. We will review the family's assets and liabilities to determine location, titling, and ownership structure. We will review existing or proposed policies and, after receiving your permission, we may facilitate reviews with unaffiliated third-party professionals. SPWG does not receive compensation for recommending or placing insurance nor do we receive compensation from such third parties with whom we may involve to review your situation.
- Estate Tax Liquidity Planning and Review – Includes determination of estate tax liquidity needs and determination of potential liquidity sources including asset liquidations and life insurance. We will review existing or proposed policies and, after receiving your permission, we may facilitate reviews with unaffiliated third-party professionals. SPWG does not receive compensation for recommending or placing insurance nor do we receive compensation from such third parties with whom we may involve to review your situation.

The advice we propose is designed to achieve the Client's desired goals, which may require revisions to meet changing circumstances. Our recommendations are based on your situation from the information provided to the firm. Families may choose to accept or reject our recommendations. We must be notified promptly of any change to your situation, goals, objectives, or needs.

**Donor Advised Fund Services**

SPWG provides to clients charitable giving solutions to philanthropic vehicles via the Raymond James Charitable Endowment Fund®, an independent public charity with a donor advised fund program (DAF). Raymond James Trust provides investment management and administrative services to Raymond James Charitable, an IRS approved philanthropic vehicle established for the purpose of managing charitable donations contributed by or on behalf of donor clients. DAF accounts may choose to use the Investment Advisor Program (IAP) option. This allows the donor to nominate SPWG to provide investment advice to the investment manager, Raymond James Trust, for assets held in the account. The DAF allows SPWG to actively manage assets that have been donated to and are owned by Raymond James Charitable, while charging an investment management fee. The Raymond James Charitable is an independent company and is unaffiliated with SPWG.

**Investment Management of Plan Assets**

SPWG provides Retirement Plan advisory services to qualified retirement plans ("Plan"). In providing investment management services to the Plan, we directly manage and provide advice regarding the selection of the Plan's investments offered to participants under the Plan. We monitor the investments and determine the retention, removal, and addition of investments for Plan assets. The services provided will be detailed in the Plan Agreement.

The Employee Retirement Income Security Act of 1974 ("ERISA") sets forth rules under which Plan Fiduciaries may retain investment advisers for various types of services with respect to Plan assets. For certain services, SPWG will be considered a fiduciary under ERISA. Also, to the extent that the Plan Fiduciaries retain SPWG to act as an investment manager within the meaning of ERISA § 3(38), SPWG will provide discretionary investment management services to the Plan.

**Fiduciary Services**

SPWG provides the following Fiduciary Services:

- Provide ongoing and continuous discretionary investment management with respect to the asset classes and investment alternatives available under the Plan in accordance with the Plan's investment policies and objectives.
- Select a broad range of investment options consistent with ERISA and the regulations thereunder, including but not limited to, 29 CFR 2550.404c-1(b)(i).
- Develop an investment policy statement (IPS).
- Monitor investment options by preparing periodic investment reports that document investment performance, consistency of fund management and conformance to the guidelines set forth in the IPS and determine whether to maintain or remove and replace investment options.
- Meet with Client on a periodic basis to discuss the reports and the investment decisions.
- Select a qualified default investment alternative ("QDIA") for participants who fail to make an investment election. Client acknowledges that it is responsible for determining whether the Plan should have a QDIA and deciding upon the type of investment that will serve as a QDIA (e.g., target date fund, balanced fund or managed account). Once Client has made that determination, we will select the investment to serve as the QDIA. The Client retains the sole responsibility to provide all notices to participants required under 29 CFR §2550.404a-5.

**Non-Fiduciary Services**

SPWG will assist with education services to Plan Participants about general investment principles and the investment alternatives available under the Plan.

SPWG will assist with group enrollment meetings designed to increase retirement Plan participation among employees and investment and financial understanding by the employees.

**General - Advisory Services to Retirement Plans and Plan Participants**

As disclosed above, we offer discretionary advisory services to employee benefit plans ("Plan") and to the participants of such plans ("Participants"). The services are designed to assist plan sponsors in meeting their

management and fiduciary obligations to Participants under the Employee Retirement Income Securities Act ("ERISA"). Pursuant to adopted regulations of the U.S. Department of Labor, we are required to provide the Plan's responsible plan fiduciary (the person who has the authority to engage us as an investment adviser to the Plan) with a written statement of the services we provide to the Plan, the compensation we receive for providing those services, and our status (which is described below).

The services we provide to your Plan are described above, and in the service agreement that you have signed. Our compensation for these services is described below, in Item 5, and also in the service agreement. We do not reasonably expect to receive any other compensation, direct or indirect, for the services we provide to the Plan or Participants. If we receive any other compensation for such services, we will (i) offset the compensation against our stated fees, and (ii) we will promptly disclose the amount of such compensation, the services rendered for such compensation and the payer of such compensation to you.

#### **Status**

In providing services to the Plan and Participants, our status is that of an investment adviser registered under the Investment Advisers Act of 1940, and we are not subject to any disqualifications under Section 411 of ERISA. In performing fiduciary services, we are acting as a discretionary fiduciary of the Plan as defined in Section 3(38) under ERISA.

#### **Wrap Fee Programs**

We do not sponsor, manage, or participate in any wrap fee programs.

#### **Assets Under Management**

As of March 28, 2024, our firm manages \$345,682,289 in client assets on a discretionary basis and \$18,759,817 on a non-discretionary basis.

#### **Important Notes:**

Information related legal matters that is provided as part of our services is for informative purposes only. Clients are instructed to contact their attorneys for legal services.

All tax and accounting services offered as part of our firm's advisory services are provided by SAGE Tax Advisory, our affiliated accounting practice. Please refer to Item 10 of this brochure for more information about this entity.

### **Fees and Compensation - Item 5**

SPWG charges the following advisory fees. At the sole discretion of SPWG, these fees may be negotiable.

#### **Financial Planning Services Fee**

The fee for standalone financial planning services is based on the number of hours necessary to complete a financial plan. The firm's negotiable hourly fee ranges from \$250 to \$400. The negotiability of the hourly rate is based on the experience and qualifications of the individual preparing the plan. For example, a CERTIFIED FINANCIAL PLANNER™ may charge an hourly rate of \$400, while a Registered Paraplanner<sup>SM</sup> may charge a rate of \$250 per hour. Administrative personnel charge an hourly fee of up to \$100. Clients who have hired us for portfolio management services will receive a complementary financial plan.

The proposed services and applicable fees will be detailed in an executed agreement. Fifty percent (50%) of the estimated fees shall be payable upon engagement in the form of a retainer deposit with the balance due upon completion of the plan presentation. However, under no circumstances will SPWG require prepayment of a fee more than six months in advance and in excess of \$1,200.



In limited circumstances, the time for preparation and subsequent cost could potentially exceed the initial estimate. In such cases, the firm will notify the Client and may request that the Client approve the additional fee. All additional fees will be based on the agreed upon hourly rate set forth in the planning agreement executed between the client and our firm.

The financial planning agreement may be terminated by the Client within five (5) business days of signing the agreement without penalty. After the five-day period, either party may terminate the agreement by providing written notice to the other party. In the event there are any prepaid, unearned fees at the time of termination, SPWG will promptly refund a *pro rata* share to the Client.

#### **Portfolio Management Services Fees**

For portfolio management services, SPWG charges an annual fee based upon a percentage of the market value of assets under management. Portfolio management fees may be negotiable depending on factors such as the amount of assets under management, range of investments, and complexity of the Client's financial circumstances, among others. Since this fee is negotiable, the exact fee paid by the Client will be clearly stated in the portfolio management agreement signed by the Client and the firm. Fees are billed quarterly, in advance.

Fees will be subject to the following fee schedule:

<u>Assets Under Management</u>	<u>Annual Fee</u>
Up to \$500,000	1.25%
\$500,000 – \$1,000,000	1.10%
\$1,000,001 – \$3,000,000	1.00%
\$3,000,001 – \$5,000,000	0.90%
\$5,000,001 – \$7,000,000	0.85%
\$7,000,001 – \$15,000,000	0.78%
\$15,000,001 – \$25,000,000	0.68%
\$25,000,001 – \$35,000,000	0.58%
\$35,000,001 – \$50,000,000	0.50%
\$50,000,001 – \$75,000,000	0.45%
\$75,000,001 – \$100,000,000	0.40%
Over \$100,000,000	Negotiable

Either SPWG will invoice the Client directly for payment of fees or fees will be deducted directly from the Client's account through the qualified custodian holding the Client's funds and securities. We will deduct our advisory fee only when you have given our firm written authorization permitting the fees to be paid directly from your account. Further, the qualified custodian will deliver an account statement to you at least quarterly. These account statements will show all disbursements from your account.

We may deduct the fee from a designated account to facilitate billing. We recommend that you review the custodial statement(s) to verify the accuracy of fee calculation. Please call our office number, located on the cover page of this brochure, if you have any questions about your statement.

The portfolio management agreement may be terminated by the Client within five (5) business days of signing the agreement without penalty. After the five-day period, the agreement will stay in effect until either party terminates it with a thirty (30) day written notice. SPWG's quarterly fee will be pro-rated through the date of termination and any remaining balance shall be refunded to the Client in a timely manner.

#### **Family Office Services Fees**

For family office services, SPWG charges a negotiable hourly fee of up to \$800 along with our customary portfolio management fees that are disclosed in the Portfolio Management Services Fees section above. Family office service fees are negotiated with each family office and they can vary greatly based on the needs of each family. Prior to engaging SPWG to provide family office services, Clients will be required to enter into a written agreement with our firm. This agreement will set forth the terms and conditions of the engagement and will describe the

scope of the services to be provided. Hourly fees are payable as invoiced and in accordance with a payment arrangement that is clearly set forth in the agreement signed by the Client and the firm. Portfolio management fees are payable in accordance with the payment terms that are disclosed in the Portfolio Management Services Fees section above. SPWG does not require the prepayment of over \$1,200, six or more months in advance.

The family office services agreement may be terminated by the Client within five (5) business days of signing the agreement without penalty. After the five-day period, either party may terminate the agreement by providing written notice to the other party.

#### **Investment Management of Plan Assets**

We charge a negotiable fee based on a percentage of the assets we manage in the Plan and in accordance with the portfolio management fee schedule listed below:

Plan Assets Under Management	Annual Fee
\$0 to \$499,999	1.25%
\$500,000 to \$999,999	1.10%
\$1,000,000 to \$299,999,999	1.00%

Fees will be calculated and billed at the stated rates monthly or quarterly, either in advance or in arrears, as indicated in Appendix C to the Plan Agreement. Fees will be based upon either the total market value of the Plan assets as of the last day of each month or quarter or the daily average account balance for the preceding period.

If our services are retained in the middle of a billing period, the fee for such period will be calculated on a pro rata basis, based upon the number of days remaining in the period. All fees will be either invoiced for payment or deducted from Plan assets in accordance with the Plan agreement. Our advisory fee is negotiable, depending on individual client circumstances.

Either party to the advisory agreement may terminate the agreement upon 30-days' written notice to the other party. The fees will be prorated for the quarter in which the termination notice is given and any unearned fees will be refunded to the client.

#### **Retirement Account Clients**

We are fiduciaries under the Investment Advisers Act of 1940 and when we provide investment advice to you regarding your retirement plan account or individual retirement account, we are also fiduciaries within the meaning of Title I of the Employee Retirement Income Security Act and/or the Internal Revenue Code, as applicable, which are laws governing retirement accounts. We have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests.

As such, SPWG is subject to specific duties and obligations under ERISA and the IRC that include, among other things, prohibited transaction rules which are intended to prohibit fiduciaries from acting on conflicts of interest. When a fiduciary gives advice in which it has a conflict of interest, the fiduciary must either avoid or eliminate the conflict or rely upon a prohibited transaction exemption.

A conflict of interest arises when SPWG makes recommendations about ERISA plan distributions and rollovers ("rollover recommendations") if it results in SPWG receiving compensation that it would not have received absent the recommendation, for example, fees for advising a rollover IRA. SPWG will manage this conflict through a process designed to develop an informed recommendation in the best interest of the client. No client is under any obligation to roll over ERISA plan or IRA assets to an account advised or managed by SPWG. When SPWG makes a rollover recommendation, it is fiduciary advice under both the Investment Advisers Act of 1940 and ERISA. In addition to being a conflict of interest, it is also a prohibited transaction under ERISA where SPWG receives compensation from the rollover IRA that it would not have received absent the recommendation. In that circumstance, SPWG will comply with the conditions of exceptions to the prohibited transaction rules (PTE 2020-02).

### **Additional Fees and Expenses**

Fees are negotiable based on the amount of assets under management, complexity of the Client's financial situation, goals, and objectives, and the level of services to be rendered. Fees are charged as described above and are not based on a share of capital gains of the funds of the advisory Client.

All fees paid to SPWG for investment advisory services are separate and distinct from the fees and expenses charged to shareholders by investment companies such as mutual funds or exchange traded funds. These fees and expenses are described in each fund's prospectus. These fees generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, you may pay an initial or deferred sales charge. A Client could invest in such funds directly, without the services of SPWG. In which case, the Client would not receive the services provided by SPWG, which are designed, among other things, to assist the Client in determining which fund or funds are most appropriate to their financial condition and objectives. Accordingly, Clients should review the fees charged by the funds and the fees charged by SPWG to fully understand the total amount of fees charged and to evaluate the cost of advisory services being provided.

We do not represent, warrant, or imply that the services or methods of analysis employed by us can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

### **Compensation for the Sale of Investment Products**

#### Compensation for the Sale of Insurance Products

Certain Executive officers and other Associated Persons of SPWG are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for generating commissions rather than solely based on your needs. **Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.**

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

Performance-based fees are based on a share of capital gains on or capital appreciation of the Client's assets. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. We do not accept performance-based fees or participate in side-by-side management. Our fees are calculated as described in the *Fees and Compensation* section above, and are not charged on the basis of a share of capital gains upon, or capital appreciation of, the funds in your advisory account(s).

### Types of Clients - Item 7

We generally offer investment advisory services to individuals, pension and profit sharing plans, trusts, estates, and business entities.

SPWG generally requires a minimum account size of \$500,000 for advisory accounts. However, from time-to-time, in its sole discretion, SPWG may accept smaller accounts based on various criteria, such as anticipated future assets, related accounts, and other individual Client circumstances.

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

SPWG advisors may use various methods to determine an appropriate investment strategy for your portfolio with the goal of reducing risk and increasing performance in each customized portfolio. We seek to recommend investment strategies or products that will give you a diversified portfolio consistent with your investment objective. We do this by analyzing the various products, investment strategies, and money management firms to which we provide access. That analysis includes a review of the structure, cost, and investment performance history of each program.

#### **Methods of Analysis**

SPWG uses Fundamental, Technical, and/or Cyclical analysis when formulating investment advice:

Fundamental analysis is a method of evaluating a company or security by attempting to measure its intrinsic value, or in other words, trying to determine a company's or a security's true value by looking at all aspects of the business, including both tangible factors (e.g., machinery buildings, land, etc.) and intangible factors (e.g., patents, trademarks, "brand" names, etc.). Fundamental analysis also involves examining related economic factors (e.g., overall economy and industry conditions, etc.), financial factors (e.g., company debt, interest rates, management salaries and bonuses, etc.), qualitative factors (e.g., management expertise, industry cycles, labor relations, etc.), and quantitative factors (e.g., debt-to-equity and price-to-equity ratios). The end goal of performing fundamental analysis is to produce a value that an investor can compare with the security's current price in hopes of determining what sort of position to take with that security (underpriced = buy, overpriced = sell or short). This method of security analysis is considered the opposite of technical analysis. Fundamental analysis is about using real data to evaluate a security's value. Although most analysts use fundamental analysis to value stocks, this method of valuation can be used for just about any type of security.

Technical Analysis is a technique that relies on the assumption that current market data (such as charts of price, volume, and open interest) can help predict future market trends, at least in the short term. It assumes that market psychology influences trading and can predict when stocks will rise or fall. Technical trading models are mathematically driven based upon historical data and trends of domestic and foreign market trading activity, including various industry and sector trading statistics within such markets. Technical trading models, through mathematical algorithms, attempt to identify when markets are likely to increase or decrease and identify appropriate entry and exit points. The primary risk of technical trading models is that historical trends and past performance cannot predict future trends, and there is no assurance that the mathematical algorithms employed are designed properly, updated with new data, and can accurately predict future market, industry, and sector performance.

Cyclical analysis is similar to technical analysis in that it involves the analysis of market conditions at a macro (entire market/economy) or micro (company specific) level, rather than the overall fundamental analysis of the health of the particular company. The primary risks with cyclical analysis are similar to those of technical analysis.

#### **Investment Strategies**

We may use one or more of the following investment strategies when advising you on investments:

*Long Term Purchases* – securities purchased with the expectation that the value of those securities will grow over a relatively long period, generally greater than one year. Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

*Short Term Purchases* – securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. Using a short-term purchase strategy generally assumes that we can predict how financial markets will perform

in the short-term which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but that may have a smaller impact over longer periods.

*Trading* – securities are sold within 30 days. The principal type of risk associated with trading is market risk. There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political, and economic developments, and government, economic or monetary policies. Additionally, trading is speculative. Market movements are difficult to predict and are influenced by, among other things, government trade, fiscal, monetary and exchange control programs and policies; changing supply and demand relationships; national and international political and economic events; changes in interest rates; and the inherent volatility of the marketplace. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices directly. The effects of governmental intervention may be particularly significant at certain times in the financial instrument markets and such intervention (as well as other factors) may cause these markets to move rapidly.

*Margin Transactions* – margin strategies allow an investor to purchase securities on credit and to borrow on securities already in their custodial account. Interest is charged on any borrowed funds for the period that the loan is outstanding. When you purchase securities, you may pay for the securities in full or you may borrow part of the purchase price from your broker-dealer. If you intend to borrow funds in connection with your account, you will be required to open a margin account, which will be carried by the broker-dealer of your account. The securities purchased in such an account are the broker-dealer's collateral for its loan to you. If the securities in a margin account decline in value, the value of the collateral supporting this loan also declines, and, as a result, a brokerage firm is required to take action, such as issue a margin call and/or sell securities or other assets in your accounts, in order to maintain necessary level of equity in the account. It is important that you fully understand the risks involved in trading securities on margin, which are applicable to any margin account that you may maintain, including any margin Account that may be established as a part of our advisory services and held by your broker-dealer. These risks include the following:

- You can lose more funds than you deposit in your margin account.
- The broker-dealer can force the sale of securities or other assets in your account.
- The broker-dealer can sell your securities or other assets without contacting you.
- You may not be able to choose which securities or other assets in your margin account are liquidated or sold to meet a margin call.
- The broker-dealer may move securities held in your cash account to your margin account and pledge the transferred securities.
- You may not be entitled to an extension of time on a margin call.

#### **Risk of Loss**

Clients should be aware that investing in securities involves a risk of loss that they should be prepared to bear. Past performance is not indicative of future results. Therefore, you should never assume that future performance of any specific investment or investment strategy would be profitable. Investing in securities (including stocks, mutual funds, and bonds, etc.) involves risk of loss. Further, depending on the different types of investments there may be varying degrees of risk. You should be prepared to bear investment loss including loss of original principal. Because of the inherent risk of loss associated with investing, our firm is unable to represent, guarantee, or even imply that our services and methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate you from losses due to market corrections or declines.

There are certain additional risks associated with investing in securities, as described below:

#### **Recommendation of Particular Types of Securities**

As disclosed under the "Advisory Business" section in this Brochure, we provide advice on various types of securities, and we do not necessarily recommend one particular type of security over another since each Client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with it.

**General Investment Risk:** All investments come with the risk of losing money. Investing involves substantial risks, including complete possible loss of principal plus other losses and may not be suitable for many members of the public. Investments, unlike savings and checking accounts at a bank, are not insured by the government to protect against market losses. Different market instruments carry different types and degrees of risk and you should familiarize yourself with the risks involved in the particular market instruments in which you intend to invest.

**Loss of Value:** There can be no assurance that a specific investment will achieve its investment objectives and past performance should not be seen as a guide to future returns. The value of investments and the income derived may fall as well as rise and investors may not recoup the original amount invested. Investments may also be affected by any changes in exchange control regulation, tax laws, withholding taxes, international, political and economic developments, and governmental economic or monetary policies.

**Interest Rate Risk:** Fixed income securities and funds that invest in bonds and other fixed income securities may fall in value if interest rates change. Generally, the prices of debt securities rise when interest rates fall, and their prices fall when interest rates rise. Longer-term debt securities are usually more sensitive to interest rate changes.

**Credit Risk:** Investments in bonds and other fixed income securities are subject to the risk that the issuer(s) may not make required interest payments. An issuer suffering an adverse change in its financial condition could lower the credit quality of a security, leading to greater price volatility of the security. A lowering of the credit rating of a security may also offset the security's liquidity, making it more difficult to sell. Funds investing in lower quality debt securities are more susceptible to these problems and their value may be more volatile.

**Foreign Exchange Risk:** Foreign investments may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rates. Changes in currency exchange rates may influence the share value, the dividends or interest earned and the gains and losses realized. Exchange rates between currencies are determined by supply and demand in the currency exchange markets, the international balance of payments, governmental intervention, speculation, and other economic and political conditions. If the currency in which a security is denominated appreciates against the US Dollar, the value of the security will increase. Conversely, a decline in the exchange rate of the currency would adversely affect the value of the security.

**Equity (stock) Market Risk:** Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. If you held common stock, or common stock equivalents, of any given issuer, you would generally be exposed to greater risk than if you held preferred stocks and debt obligations of the issuer.

**Company Risk:** When investing in stock positions, there is always a certain level of company or industry specific risk inherent in each investment. This is also referred to as unsystematic risk and can be reduced through appropriate diversification. There is the risk that the company will perform poorly or have its value reduced based on factors specific to the company or its industry. For example, if a company's employees go on strike or the company receives unfavorable media attention for its actions, the value of the company may be reduced.

**Fixed Income Risk:** When investing in bonds, there is the risk that the issuer will default on the bond and be unable to make payments. Further, individuals who depend on set amounts of periodically paid income face the risk that inflation will erode their spending power. Fixed-income investors receive set, regular payments that face the same inflation risk. In addition, there is pricing risk if the investment is not held to maturity and interest rates move.



**Risks Associated with Investing in Mutual Funds:** Mutual funds are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. The returns on mutual funds can be reduced by the costs to manage the funds. In addition, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, other types of mutual funds do charge such fees which can also reduce returns.

**Risks Associated with Investing in Exchange Traded Funds (ETF):** Investing in stocks & ETF's carries the risk of capital loss (sometimes up to a 100% loss in the case of a stock holding bankruptcy). Investments in these securities are not guaranteed or insured by the FDIC or any other government agency.

**Management Risk:** Your investment with our firm varies with the success and failure of our investment strategies, research, analysis and determination of portfolio securities. If our investment strategies do not produce the expected returns, the value of the investment will decrease.

**Municipal Securities Risk:** The value of municipal obligations can fluctuate over time, and may be affected by adverse political, legislative and tax changes, as well as by financial developments that affect the municipal issuers. Because many municipal obligations are issued to finance similar projects by municipalities (e.g., housing, healthcare, water and sewer projects, etc.), conditions in the sector related to the project can affect the overall municipal market. Payment of municipal obligations may depend on an issuer's general unrestricted revenues, revenue generated by a specific project, the operator of the project, or government appropriation or aid. There is a greater risk if investors can look only to the revenue generated by the project. In addition, municipal bonds generally are traded in the "over-the-counter" market among dealers and other large institutional investors. From time to time, liquidity in the municipal bond market (the ability to buy and sell bonds readily) may be reduced in response to overall economic conditions and credit tightening.

**Alternatives Risk:** Non-traded REITs, business development companies, limited partnerships, and direct alternatives are subject to various risks such as liquidity and property devaluation based on adverse economic and real estate market conditions and may not be suitable for all investors. A prospectus that discloses all risks, fees, and expenses may be obtained from your advisor. Read the prospectus carefully before investing. This is not a solicitation or offering which can only be made in conjunction with a copy of the prospectus. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or only a few alternative investments.

**Foreign Securities Risk:** Foreign securities are subject to additional risks not typically associated with investments in domestic securities. These risks may include, among others, currency risk, country risks (political, diplomatic, regional conflicts, terrorism, war, social and economic instability, currency devaluations and policies that have the effect of limiting or restricting foreign investment or the movement of assets), different trading practices, less government supervision, less publicly available information, limited trading markets and greater volatility. To the extent that underlying funds invest in issuers located in emerging markets, the risk may be heightened by political changes, changes in taxation, or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

**Risks Associated with Investing in Private Funds:** Private investment funds are not registered with the Securities and Exchange Commission and may not be registered with any other regulatory authority. Accordingly, they are not subject to certain regulatory restrictions and oversight to which other issuers are subject. There may be little public information available about their investments and performance. Moreover, as sales of shares of private

investment companies are generally restricted to certain qualified purchasers, it could be difficult for a Client to sell its shares of a private investment company at an advantageous price and time. Since shares of private investment companies are not publicly traded, from time to time it may be difficult to establish a fair value for the Client's investment in these companies.

**Risks Associated with Investing in Options:** Transactions in options carry a high degree of risk. A relatively small market movement will have a proportionately larger impact, which may work for or against the investor. The placing of certain orders, which are intended to limit losses to certain amounts, may not be effective because market conditions may make it impossible to execute such orders. Selling ("writing" or "granting") an option generally entails considerably greater risk than purchasing options. Although the premium received by the seller is fixed, the seller may sustain a loss well in excess of that amount. The seller will also be exposed to the risk of the purchaser exercising the option and the seller will be obliged either to settle the option in cash or to acquire or deliver the underlying investment. If the option is "covered" by the seller holding a corresponding position in the underlying investment or a future on another option, the risk may be reduced.

**Illiquid securities:** Illiquid securities involve the risk that investments may not be readily sold at the desired time or price. Securities that are illiquid, that are not publicly traded, and/or for which no market is currently available, may be difficult to purchase or sell, which may impact the price or timing of a transaction. An inability to sell securities can adversely affect an account's value or prevent an account from taking advantage of other investment opportunities. Lack of liquidity may cause the value of investments to decline and illiquid investments may be difficult to value. A Client may not be able to liquidate investment in the event of an emergency or any other reason.

Certain investment strategies used by our firm may invest in illiquid asset vehicles, such as private equity and real estate. Investment in an illiquid asset vehicle poses similar risks as direct investments in illiquid securities. In addition, investment in an illiquid asset vehicle will be subject to the terms and conditions of the illiquid asset vehicle's investment policy and governing documents, which often include provisions that may involve investor lock-in periods, mandatory capital calls, redemption restrictions, infrequent valuation of assets, etc. In addition, investments in illiquid securities or vehicle may normally involve investment in non-marketable securities where there is limited transparency. If obligated to sell an illiquid security prior to an expected maturity date, particularly with an infrastructure investment, they may not be able to realize fair value. Investments in illiquid securities or vehicles may include restrictions on withdrawal rights and shares may not be freely transferable.

#### Disciplinary Information - Item 9

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of the firm or of the integrity of our management. Neither SPWG nor our management persons have a history of reportable material legal or disciplinary events.

#### Other Financial Industry Activities or Affiliations - Item 10

Neither SPWG nor any of its management persons is registered as a futures commission merchant, an introducing broker, a commodity trading adviser, or a commodity pool operator, nor do either parties have an application pending or otherwise in process for the purpose of seeking registration as any of these types of firms. Further, none of our management persons are registered as or are currently seeking registration as associated persons of any of these types of firms.



#### Compensation for the Sale of Insurance Products

Khaled Taha, Managing Member, and other Associated Persons of SPWG are licensed as independent insurance agents. These persons will earn commission-based compensation for selling insurance products, including insurance products they sell to you. Insurance commissions earned by these persons are separate and in addition to our advisory fees. This practice presents a conflict of interest because persons providing investment advice on behalf of our firm who are insurance agents have an incentive to recommend insurance products to you for generating commissions rather than solely based on your needs. **Clients of our firm are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.**

#### Accounting Practice

Khaled Taha, Managing Member, is also the Managing Member and majority owner of SAGE Tax Advisory, a full service certified public accounting firm providing a wide range of accounting services to individuals and business Clients. Associated Persons of SPWG will recommend SAGE Tax Advisory to their Clients, including family office service Clients of our firm. As such, Clients should be aware that a conflict of interest is inherent in such an arrangement. Associated Persons of our firm have a fiduciary responsibility to place the interests of the Client first. Clients of our firm are not required to use the services of any affiliated firm.

#### Advice Group

We are affiliated with SAGE Advice Group Enterprises, LLC ("SAGE Advice") through common control and ownership. SAGE Advice offers strategies and services as a stand-alone or part of an integrated solution that utilizes a team of financial, tax and consulting professionals to provide guidance. We will recommend that you use the services of SAGE Advice Group Enterprises, LLC if appropriate and suitable for your needs. Our advisory services are separate and distinct from the compensation paid to SAGE Advice Group Enterprises, LLC for their services.

These referral arrangements we have with our affiliated entities present a conflict of interest because we may have a financial incentive to recommend our affiliates' services. While we believe that compensation charged by our affiliates are competitive, such compensation may be higher than fees charged by other firms providing the same or similar services. You are under no obligation to use our affiliates' services and may obtain comparable services and/or lower fees through other firms.

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

#### **Description of Our Code of Ethics**

SPWG has adopted a Code of Ethics (the "Code") to address investment advisory conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes SPWG's policies and procedures developed to protect Client's interests in relation to the following topics:

- The duty at all times to place the interests of Clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the Code;
- The responsibility to avoid any actual or potential conflict of interest or misuse of an employee's position of trust and responsibility;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of Clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

A copy of SPWG's Code of Ethics is available upon request to our firm at (630) 933-0000.

#### **Interest in Client Transactions**

Please refer to Trade Aggregation/Block Trading in Item 12 below for information about the recommendation of securities in which related persons has a material financial interest and the conflicts of interest associated with such practices.

#### **Personal Trading Practices**

At times, SPWG and/or its related persons may take positions in the same securities as Clients, which may pose a conflict of interest with Clients. In an effort to uphold our fiduciary duties to Clients, SPWG and its related persons will generally be "last in" and "last out" for the trading day when trading occurs in close proximity to Client trades. Front running (trading shortly ahead of Clients) is prohibited. Should a conflict occur because of materiality (e.g., a thinly traded stock), disclosure will be made to the Client(s) at the time of trading. Incidental trading not deemed to be a conflict (e.g., a purchase or sale that is minimal in relation to the total outstanding value, and as such would have negligible effect on the market price) would not be deemed a material conflict requiring disclosure at the time of trading. As disclosed in Item 12 below, SPWG and/or its Associated Persons may participate in block trades with Clients; however, SPWG and/or its Associated Persons will not participate on a pro rata basis for partial fills.

### **Brokerage Practices - Item 12**

#### **Brokerage and Custodial Services Offered by Raymond James & Associates, Inc.**

SPWG has an institutional custodial relationship with Raymond James & Associates, Inc. (RJA), an independent and unaffiliated SEC-registered broker-dealer and member of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). RJA offers us services that include custody of securities, trade execution, clearance, and settlement of transactions. Our investment adviser representatives are not registered representatives of RJA; and, they do not receive commissions or other compensation from recommending the brokerage or custodial services offered by RJA.

We believe that RJA provides quality execution services for you at competitive prices. Price is not the sole factor we consider in evaluating best execution. We also consider the quality of the brokerage services provided by RJA, including the value of research provided, the company's reputation, execution capabilities, commission rates, and responsiveness to our Clients and our firm. In recognition of the value of research services and additional brokerage products and services RJA provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere. While SPWG may not always obtain the lowest commission rate, SPWG believes the rate is reasonable in relation to the value of the brokerage and research services provided.

Although not considered "soft dollar" compensation, SPWG will receive various benefits from RJA in the form of access to a trading desk, dedicated support staff, custody, reporting, and related services, many of which are not typically available to RJA retail customers. RJA also makes available various support services. Some of those services help us manage or administer our Clients' accounts while others help us manage our business. Some of RJA's support services are available on an unsolicited basis (i.e., we do not have to request them), and at no charge to us (as long as we custody Client assets in accounts at RJA). Below is a description of RJA's support services:

*Services that Benefit You:* RJA's services include access to a broad range of investment products, execution of securities transactions, and custody of Client assets. The investment products available through RJA include some to which we might not otherwise have access or that would require a significantly higher minimum initial investment by our Clients. RJA also generates reports and statements at no additional cost to our Clients. RJA's services described in this paragraph generally benefit you and your account.

*Services that May Not Directly Benefit You:* RJA also makes available to us other services that benefit us but that may not directly benefit you or your account. These services assist us in managing and administering our Clients'

accounts. They include investment research, consolidated access to Client account data, pricing and other market data, and portfolio reporting.

**Brokerage for Client Referrals**

We do not receive Client referrals from broker-dealers and custodians with which we have an institutional advisory arrangement. Also, we do not receive other benefits from a broker-dealer in exchange for Client referrals.

**Directed Brokerage**

The Client may direct brokerage to a specified broker-dealer other than the firm recommended by SPWG. In the event that a Client directs SPWG to use a particular broker-dealer, the firm may not be authorized under these circumstances to negotiate commissions and may not be able to obtain volume discounts or best execution. In addition, under these circumstances a disparity in commission charges may exist between the commissions charged to Clients who direct the firm to use a particular broker-dealer and those who do not.

**Trade Aggregation/Block Trading**

SPWG may aggregate transactions in equity and fixed income securities for a Client with other Clients to improve the quality and cost of execution. We will only aggregate trades for accounts held at RJA. When transactions are aggregated, the actual prices applicable to the aggregated transactions will be averaged, and the Client account will be deemed to have purchased or sold its proportionate share of the securities involved at the average price obtained. SPWG may determine not to aggregate transactions, for example, based on the size of the trades, the number of Client accounts, the timing of the trades, and the liquidity of the securities. If the firm does not aggregate orders, some Clients purchasing securities around the same time may receive a less favorable price than other Clients receive. This means that this practice of not aggregating may cost Clients more money. SPWG and/or its Associated Persons may participate in block trades with Clients; however, SPWG and/or its Associated Persons will not participate on a pro rata basis for partial fills.

**Review of Accounts - Item 13**

SPWG monitors Client account holdings on a continuous basis and conducts formal account reviews at least annually. Accounts are reviewed by the Associated Person assigned to the account.

Additional reviews may be offered in certain circumstances. Triggering factors that may stimulate additional reviews include, but are not limited to, changes in economic conditions, changes in the Client's financial situation or investment objectives, or upon Client request.

SPWG will review a financial plan with a Client on an annual basis or more often if deemed necessary by a change in the Client's lifetime goals or current situation. These reviews will include a review of the Client's overall position in relationship to their goals and objectives. The Client will be responsible for providing updated information necessary to assess their current status. Generally, plans will be reviewed by the Associated Person who initially prepared the plan.

You will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. You should carefully review account statements for accuracy. If you have questions regarding your account or if you did not receive a statement from your custodian, please contact our firm at (630) 933-0000.

#### Client Referrals and Other Compensation - Item 14

SPWG has a brokerage and clearing arrangement with RJA and the firm receives additional benefits from them. These additional benefits are listed under Item 12 above.

SPWG and our Associated Persons have ongoing business relationships with various third party vendors and product sponsors. From time to time, these vendors provide advertising development, marketing assistance, software and other services that are designed to assist our firm primarily with client acquisition and servicing. In addition, Associated Persons of our firm attend training and/or due diligence meetings sponsored by such vendors. Some of the products and services made available by such vendors benefit our firm but may not benefit our clients. These products or services assist us in managing and administering client accounts, including clients who have no direct relationship with these vendors. Other services made available by such vendors are intended to help us manage and further develop our business enterprise. As part of our fiduciary duties to clients, our firm endeavors at all times to put the interests of our clients first. You should be aware, however, that our firm's receipt of economic benefits in and of itself creates a conflict of interest because it gives our firm an incentive to work with vendors that provide such services over vendors that provide no additional services. We and our related persons do not compensate, either directly or indirectly, any person or entity who is not our Associated Person for client referrals.

SPWG does not currently have any Client referral or compensation agreements with outside parties for domestic accounts as defined by Rule 206(4)-1 of the Investment Advisers Act of 1940 and similar state laws, rules, and regulations.

#### **Client Benefit Confirmation Agreement**

SPWG has entered into a Client Benefit Confirmation Agreement ("Agreement") with Raymond James & Associates, Inc. ("RJ&A") through its RIA & Custody Services Division. Under certain guidelines, RJ&A will offer SPWG compensation in consideration for the introduction and custodying of certain new client assets at RJ&A. Pursuant to the Agreement compensation is based upon eligible assets under management as measured by RJ&A. This represents a possible conflict of interest as SPWG will only receive compensation upon attainment of certain prospects becoming clients of RJ&A. We address this conflict of interest by disclosing to you the terms of this arrangement. Our participation in this arrangement does not diminish our fiduciary obligations to our clients.

#### Custody - Item 15

SPWG does not have physical custody of any of your funds and/or securities. However, we are deemed to have custody over your funds or securities because of the fee deduction authority granted by the Client and in certain situations where we accept standing letters of authorization from Clients to transfer assets to third parties.

Your funds and securities will be held with a bank, broker-dealer, or other independent, qualified custodian. You will receive account statements from the independent, qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account. You should carefully review account statements for accuracy.

If you have questions regarding your account or if you did not receive a statement from your custodian, please contact our firm at (630) 933-0000.

#### Investment Discretion - Item 16

SPWG offers Portfolio Management Services on a discretionary and non-discretionary basis. Clients must grant discretionary authority in the executed investment advisory agreement. Discretionary authority extends to the type and amount of securities to be bought and sold and do not require advance Client approval. However, apart from the ability to deduct advisory fees, SPWG does not have the ability to withdraw funds or securities from the Client's account.

If you wish, you may limit our discretionary authority by, for example, setting a limit on the type of securities that can be purchased for your account. Simply provide us with your restrictions or guidelines in writing. Please refer to the "Advisory Business" section in this Brochure for more information on our discretionary management services.

When offering non-discretionary portfolio management services, SPWG will obtain Client approval prior to executing any transactions in the Client's account(s).

#### Voting Client Securities - Item 17

SPWG does not vote proxies. It is the Client's responsibility to vote proxies. Clients will receive proxy materials directly from the custodian. Questions about proxies may be made via the contact information on the cover page.

#### Financial Information - Item 18

We are required in this Item to provide you with certain financial information or disclosures about SPWG's, financial condition. SPWG does not require the prepayment of over \$1,200, six or more months in advance. Additionally, SPWG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.

#### Requirements of State-Registered Advisers - Item 19

This section is not applicable because our firm is SEC registered.

#### SAGE Private Wealth Group, LLC Privacy Notice

This notice is being provided to you in accordance with the Securities and Exchange Commission's rule regarding the privacy of consumer financial information ("Regulation S-P") and/or comparable state laws. Please take the time to read and understand the privacy policies and procedures that we have implemented to safeguard your nonpublic personal information.

##### **INFORMATION WE COLLECT**

SAGE Private Wealth Group, LLC (SPWG) must collect certain personally identifiable financial information about its customers to provide financial services and products. The personally identifiable financial information that we gather during the normal course of doing business with you may include:

- information we receive from you on applications or other forms;

- information about your transactions with us, our affiliates (such as, SAGE Tax Advisory), or others;
- information we receive from a consumer reporting agency.

**INFORMATION WE DISCLOSE**

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted or required by law, or as necessary to provide services to you. In accordance with applicable federal and/or state laws, we may disclose all of the information we collect, as described above, to certain nonaffiliated third parties such as our attorneys, accountants, auditors and persons or entities that are assessing our compliance with industry standards. We enter into contractual agreements with all nonaffiliated third parties that prohibit such third parties from disclosing or using the information other than to carry out the purposes for which we disclose the information.

**CONFIDENTIALITY AND SECURITY**

We restrict access to nonpublic personal information about you to those Employees who need to know that information to provide financial products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

**ACCURACY**

SPWG strives to maintain accurate personal information in our Client files at all times. However, as personal situations, facts and data change over time; we encourage our Clients to provide feedback and updated information to help us meet our goals.