

AURORA PRIVATE WEALTH, INC.

a Registered Investment Adviser

100 Enterprise Drive, Suite 504
Rockaway, NJ 07866

973-394-0404

www.aurorapw.com

compliance@aurorapw.com

March 13, 2024

This brochure provides information about the qualifications and business practices of Aurora Private Wealth, Inc. (hereinafter “Aurora”, the “Firm”, or “we”, “our” or “us”). If you have any questions about the contents of this brochure, please contact the Firm at the telephone number listed above. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (SEC) or by any state securities authority. Additional information about the Firm is available on the SEC’s website at www.adviserinfo.sec.gov. The Firm is a registered investment adviser. Registration does not imply any level of skill or training.

Item 2. Material Changes

In this Item, Aurora is required to discuss any material changes that have been made to the brochure since the last annual amendment.

Item 3. Table of Contents

| | |
|---|----|
| Item 2. Material Changes | 2 |
| Item 3. Table of Contents | 3 |
| Item 4. Advisory Business | 4 |
| Item 5. Fees and Compensation | 9 |
| Item 6. Performance-Based Fees and Side-by-Side Management | 13 |
| Item 7. Types of Clients | 13 |
| Item 8. Methods of Analysis, Investment Strategies and Risk of Loss | 14 |
| Item 9. Disciplinary Information | 18 |
| Item 10. Other Financial Industry Activities and Affiliations | 18 |
| Item 11. Code of Ethics | 19 |
| Item 12. Brokerage Practices | 20 |
| Item 13. Review of Accounts | 24 |
| Item 14. Client Referrals and Other Compensation | 24 |
| Item 15. Custody | 25 |
| Item 16. Investment Discretion | 25 |
| Item 17. Voting Client Securities | 25 |
| Item 18. Financial Information | 25 |

Item 4. Advisory Business

Aurora is an investment adviser registered with the U.S. Securities and Exchange Commission (“SEC”) with its principal place of business located in Rockaway, New Jersey. Aurora began conducting business in 2015. Timothy Liam Smith, President, is the Firm’s primary shareholder (i.e., those individuals and/or entities controlling 25% or more of this company).

As of December 31, 2024, the Firm had \$363,261,922 in assets under management managed on a discretionary basis. Aurora offers a variety of advisory services, which include financial planning, consulting, and investment management services. Prior to Aurora rendering any of the foregoing advisory services, clients are required to enter into one or more written agreements with Aurora setting forth the relevant terms and conditions of the advisory relationship (the “Advisory Agreement”).

While this brochure generally describes the business of AURORA, certain sections also discuss the activities of its Supervised Persons, which refer to the Firm’s officers, partners, directors (or other persons occupying a similar status or performing similar functions), employees or other persons who provide investment advice on AURORA’s behalf and are subject to the Firm’s supervision or control.

Our firm offers services through our network of investment advisor representatives (“Advisor Representatives” or “IARs”). IARs may have their own legal business entities or doing business as (dba) names whose trade names and logos are used for marketing purposes and may appear on marketing materials or client statements. The Client should understand that the businesses may be legal entities of the IAR and not of our firm Aurora. To be clear, however, the IARs are under the supervision of our firm Aurora, and the advisory services of the IAR are provided through our firm, Aurora. Our firm Aurora has the arrangement described above with the following Advisor Representatives:

- **Brio Financial Services**
Matthew Compton
- **Indigo Wealth Management**
Glad Perez
- **Moore Wealth Management**
Willard David Moore
- **Nielson Financial Group**
Martin Nielson
- **Planned Professional Advisory**
Charles Mishler, Kristy Berger
- **Main Street Private Advisors**
Stephen Molinelli, Kevin Ryan
- **Standard Pension Services**
Peter Devlin, Eric Monroe,
Howard Zodicoff
- **WealthPlan Advantage**
Gregory Nardolillo, Daniel Nardolillo,
- **Harper & Hodge Wealth Management**
Daniel Hodge

We offer various advisory services to our clients. However, it is important to understand that our firm enables its financial advisors, which are sometimes referred to as investment adviser representatives (“IARs”), to provide customized advice to their clients. These IARs are permitted great latitude in selecting investments, investment strategies and delivering investment advice to our clients, which remains subject to the supervision of our compliance department. Each of our advisory programs that our IARs may use in servicing their clients are described in greater detail below.

Your IAR may recommend, and our Firm permits, APW Capital, Inc. (“APW Capital”), a registered broker-dealer and our affiliate, to provide brokerage services as an introducing broker-dealer on transactions. Please refer to Item 12 for additional information about this arrangement.

Financial Planning and Consulting Services

Aurora offers clients a broad range of financial planning and consulting services, which include any or all of the following functions:

- Business Planning
- Cash Flow Forecasting
- Trust and Estate Planning
- Financial Reporting
- Investment Consulting
- Insurance Planning
- Retirement Planning
- Risk Management
- Charitable Giving
- Distribution Planning
- Tax Planning
- Manager Due Diligence

In performing these services, the Firm is not required to verify any information received from the client or from the client’s other professionals (e.g., attorneys, accountants, etc.) and is expressly authorized to rely on such information. The Firm may recommend certain clients engage Aurora for additional related services, its IARs in their individual capacities as insurance agents or registered representatives of a broker-dealer and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists when the Firm recommends that clients engage Aurora or its affiliates to provide (or continue to provide) additional services for compensation, including investment management services. Clients retain absolute discretion over all decisions regarding implementation and are under no obligation to act upon any of the recommendations made by Aurora under a financial planning or consulting engagement. Clients are advised that it remains their responsibility to promptly notify the Firm of any change in their financial situation or investment objectives for the purpose of reviewing, evaluating or revising Aurora’s recommendations and/or services.

Investment and Wealth Management Services

Aurora manages client investment portfolios on a discretionary or non-discretionary basis, and may recommend or invest in various securities, including mutual funds, exchange-traded funds (“ETFs”), individual debt and equity securities, commercial paper, certificates of deposit, options, warrants,

other derivative securities, structured products and structured notes, oil/gas and real estate partnerships in accordance with clients' stated investment objectives. It may also recommend or select independent investment managers ("Independent Managers").

Where appropriate, the Firm also provides advice about any type of legacy position or other investment held in client portfolios. Clients can engage the Firm to manage and/or advise on certain investment products that are not maintained at their primary custodian, such as variable life insurance and annuity contracts and assets held in employer sponsored retirement plans and qualified tuition plans (i.e., 529 plans). In these situations, the Firm directs or recommends the allocation of client assets among the various investment options available with the product. These assets are generally maintained at the underwriting insurance company or the custodian designated by the product's provider.

Aurora tailors its advisory services to meet the needs of its individual clients and seeks to ensure, on an ongoing basis, that client portfolios are managed in a manner consistent with those needs and objectives. The Firm consults with clients on an initial and ongoing basis to assess their specific risk tolerance, time horizon, liquidity constraints and other related factors relevant to the management of their portfolios. Clients are advised to promptly notify the Firm if there are changes in their financial situation or if they wish to place any limitations on the management of their portfolios. Clients can impose reasonable restrictions or mandates on the management of their accounts if the Firm determines, in its sole discretion, the conditions would not materially impact the performance of a management strategy or prove overly burdensome to the Firm's management efforts.

The Firm's investment management services are provided principally through its IARs subject to oversight and review by Aurora's compliance and operations personnel. The Firm gives each IAR broad discretion in making investment decisions for or constructing portfolios that they believe are appropriate for their clients. Therefore, clients will have different investments than other Firm clients partially depending on that client's IAR. The Firm offers clients various investment programs, depending on their desired preferences. A brief description of each of these investment management programs is provided below.

Individual Portfolio Management Program

Through this program, the Firm provides continuous or less frequent asset management services based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, the client's IAR develops a client's personal investment policy and creates and manages a portfolio based on that policy. The client's investment advisor representative is responsible for making day-to-day discretionary investment decisions subject to oversight and review by Aurora's compliance and operations personnel. During the data-gathering process, the IAR determines the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, the IAR also reviews and discusses a client's prior investment history, as well as family composition and background. Account supervision is guided by the client's stated objectives (i.e. maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Model Portfolio Management Program

Through this program, the Firm provides periodic portfolio management services to clients using model asset allocation portfolios designed by the Firm's IARs. Each model portfolio is designed to meet a particular investment goal and not necessarily each client's individual needs. However, a model is selected

or recommended for a client based on their investment objectives. The Firm uses two particular strategies to construct and make revisions to its model portfolios:

- Strategic Asset Allocation: portfolio assets are allocated among a broad universe of mutual funds or ETFs, asset classes and style categories;
- Tactical Asset Allocation: portfolio assets are allocated among various mutual fund or ETF classes with an overlay of technical analysis, i.e. asset management charting software.

Through personal discussions with the client in which the client's goals and objectives are established, the Firm determines which model portfolio is suitable for the client's circumstances. Account supervision is guided by the client's stated objectives (i.e. maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Independent Manager Selection Program

Through this program, the Firm provides clients an asset allocation strategy that is employed through the use of Independent Managers. The asset allocation strategy is developed through personal discussions in which goals and objectives based on the client's particular circumstances are established. This asset allocation strategy is drafted into the client's personal investment policy statement ("PIPS"). Based on the client's individual circumstances and needs (as exhibited in the client's PIPS. The client's IAR will then perform management searches of various unaffiliated Independent Managers to identify which Independent Manager's portfolio management style is appropriate for that client. Factors considered in making this determination include account size, risk tolerance, the opinion of each client and the investment philosophy of the selected Independent Manager.

Once we select one or more Independent Manager for the client, the IAR provides the selected Independent Manager(s) with the client's PIPS or the client otherwise provides their PIPS to the Independent Manager. The Independent Manager then creates and manages the client's portfolio based on the client's individual needs as exhibited in the PIPS. The IAR monitors the performance of the selected Independent Manager(s). If the IAR determines that a particular selected Independent Manager(s) is not providing sufficient management services to the client or is not managing the client's portfolio in a manner consistent with the client's PIPS, the IAR may suggest that the client contract with a different Independent Manager or we may use our discretion to select a new Independent Manager. Whether we maintain discretion to select a new Independent Manager is outlined in our Advisory Agreement.

Affiliated and Unaffiliated Wrap Programs

The Firm also provides investment management services as the sponsor and manager of the Aurora Private Wealth Select Wrap Fee Program (the "Wrap Program"), a wrap fee program (i.e., an arrangement where brokerage commissions and transaction costs are absorbed by the Firm. The Firm and its IARs do not recommend Wrap Program accounts and instead view the decision to offer a Wrap Program to a client as a courtesy and a business decision. Neither the Firm nor any IAR are required to offer this arrangement to any client or prospective client. Not all of the Firm's IARs offer Wrap Program accounts. The IARs that offer the Wrap Program are responsible for the trading costs incurred in the management of the Wrap Program accounts. Accounts managed through the Wrap Program by an IAR are done so in substantially the same manner as those managed under a non-wrap arrangement by that IAR, meaning that the client's IAR is responsible for making investment decisions. The IAR generally will not consider trading costs and the expense associated with trading in rendering advice to clients. All else equal, an IAR's client that is offered the Wrap Program will have lower expenses, and therefore better returns than had they not been offered the Wrap Program. Neither the Firm nor its IARs monitor (1) the effect of whether a client is in a Wrap Program or non-Wrap Program account, or (2)

whether a client would fare better in a Wrap Program account over a non-Wrap Program account or vice versa, because the client will always fare better in the Wrap Program account to the extent their IAR decides to offer it. Additional information about the Wrap Program is available in Aurora's Wrap Brochure, which appears as Part 2A Appendix 1 of the Firm's Form ADV.

The Firm is also a participating investment adviser in an unaffiliated wrap fee program sponsored by Envestnet. With respect to this wrap-fee program, clients pay their fees directly to the sponsor who, in turn, remits a portion of those fees to the Firm. The advisory fees remitted to Aurora are based upon an annual percentage of assets under management and are calculated by the sponsor on a quarterly basis.

In the event that Aurora is engaged to provide investment management services as part of an unaffiliated wrap-fee program, the Firm will be unable to negotiate commissions and/or transaction costs. Under a wrap program, the wrap program sponsor arranges for the investor to receive investment management services, the execution of securities brokerage transactions, custody and reporting services for a single specified fee. Participation in a wrap program may cost the participant more or less than purchasing such services separately.

Retirement Plan Consulting Services

The Firm also provides various consulting services to qualified employee benefit plans and their fiduciaries. This suite of institutional services is designed to assist plan sponsors in structuring, managing and optimizing their corporate retirement plans. Each engagement is individually negotiated and customized, and includes any or some or all of the following:

- Investment policy statement preparation
- Investment Selection
- Investment performance monitoring
- Participant education

As disclosed in the Advisory Agreement, certain of the foregoing services are provided by Aurora as a fiduciary under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). In accordance with ERISA Section 408(b)(2), each plan sponsor is provided with a written description of Aurora's fiduciary status, the specific services to be rendered and all direct and indirect compensation the Firm reasonably expects under the engagement.

Other Consulting Services

The Firm also provides investment consulting services to individuals, trusts, estates and charitable organizations.

Use of Independent Managers

As mentioned above, Aurora selects certain Independent Managers to actively manage a portion of its clients' assets. The specific terms and conditions under which a client engages an Independent Manager may be set forth in a separate written agreement with the designated Independent Manager. In addition to this brochure, clients may also receive the written disclosure documents of the respective Independent Managers engaged to manage their assets which they should read carefully. On an ongoing basis, the Firm monitors the performance of those accounts being managed by Independent Managers. Aurora seeks to ensure the Independent Managers' strategies and target allocations remain aligned with its clients' investment objectives.

Envestnet Managed Account Platform (Envestnet Platform™)

Aurora offers certain of its investment management services through a third-party managed account platform operated by Envestnet. The platform allows investment advisers, such as the Firm, to manage client assets through managed accounts on the Envestnet Platform. Client assets may be allocated to custom model portfolios constructed by the Firm or among various Independent Managers offering advisory services through the Envestnet Platform.

Aurora may also provide its clients with access to an online platform hosted by Envestnet. The Envestnet platform allows a client to view their complete asset allocation, including those assets that the Firm does not manage (the “Excluded Assets”). Aurora does not provide investment management, monitoring, or implementation services for the Excluded Assets. Unless otherwise specifically agreed to, in writing, the Firm’s service relative to the Excluded Assets is limited to reporting only. Therefore, the Firm shall not be responsible for the investment performance of the Excluded Assets. Rather, the client and/or their advisor(s) that maintain management authority for the Excluded Assets, and not Aurora or its IARs, shall be exclusively responsible for such investment performance. Without limiting the above, the Firm shall not be responsible for any implementation error (timing, trading, etc.) relative to the Excluded Assets. The client may choose to engage the Firm to manage some or all of the Excluded Assets pursuant to the terms and conditions of an Advisory Agreement between Aurora and the client.

Item 5. Fees and Compensation

The Firm allows its IARs to negotiate its fees with clients’ subject to certain parameters. IARs may determine to offer clients fixed and/or hourly fees, as well as fees based upon assets under management or advisement. Additionally, certain of the Firm’s IARs are also registered representatives of our affiliate, APW Capital, Inc. (“APW Capital”), a registered broker-dealer. Certain IARs are also licensed insurance agents, including some who are licensed with our affiliated insurance agency, Aurora Insurance Services, Inc. (“AIS”). In these capacities, they may offer and recommend securities and insurance products on a commission basis. Each of these relationships and their conflicts of interest are described in greater detail below in Item 10 - Other Financial Industry Activities and Affiliations. In addition, as described below under the heading of “Additional Fees and Expenses”, accounts held at Pershing are subject to normal and customary transaction fees, and client’s advisory fees are not reduced or offset based on APW Capital’s receipt of this compensation.

For investment management fees associated with participation in the Wrap Program, please see the Wrap Brochure.

Financial Planning and Consulting Fees

Aurora charges a fixed and/or hourly fee for providing financial planning and consulting services under a stand-alone engagement. These fees are negotiable, but range from \$500 to \$15,000 on a fixed fee basis and/or from \$50 to \$800 on an hourly basis, depending upon the scope and complexity of the services and the professional rendering the financial planning and/or the consulting services. The fee can be for a defined project, such as the delivery of a plan, or for ongoing services. If the client engages the Firm for additional investment advisory services, Aurora can offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

The terms and conditions of the financial planning and/or consulting engagement are set forth in the Aurora Financial Planning and Consulting Agreement. The Firm may request a retainer upon completion of its initial fact-finding session with the client; however, advance payment will never exceed \$500 for work that is not expected to be completed within six months. The balance is due upon completion of the plan. The client will typically be billed for financial planning and consulting services quarterly in arrears based on actual hours accrued.

Aurora also has a consulting service under a stand-alone engagement. Annual rate must not exceed 2.50% of plan assets. Unless otherwise agreed to, in writing, Aurora shall debit the Plan account(s) for its fee. The annual fee shall be paid quarterly, in advance, based upon the market value of the Plan's assets on the last day of the preceding quarter. In the alternative, we may charge a fixed fee, which should range between \$1,000 and \$15,000.

Investment Management Fees

Aurora charges its client's fees for investment management services typically based on the client's assets under management although the Firm may charge fixed or hourly fees in its sole discretion. In certain circumstances, the Firm will provide financial planning and consulting fees along with the investment management for a combined asset-based fee.

The Firm's fees for investment management services provided through its Individual Portfolio Management Program, the Model Portfolio Management Program, and the Independent Manager Selection Program are typically based on a percentage of assets under management, which generally ranges from 0.25% to 2.95% per annum as determined by the Firm's IAR and their client. The IAR takes into consideration various factors including, but not limited to, the complexity of the client's circumstances or needs; assets to be placed under management; anticipated future additional assets; related accounts; portfolio style; account composition; and reports, among other factors. The Firm may, but is not obligated to, group certain related client accounts for the purpose of determining the annualized fee. Discounts not generally available to the Firm's advisory clients may be offered to family members and friends of associated persons of the Firm.

The annual fee is prorated and charged quarterly or monthly in advance based upon the market value of the assets being managed by Aurora on the last day of the previous billing period. For the initial period of an engagement, the fee is calculated on a pro rata basis. For assets added after the commencement of a billing period, the fee for such billing period is prorated and billed in the following quarter or month, as applicable. For assets withdrawn before the end of a billing period, the Firm refunds or charges a prorated amount based on the amount of time during the billing period that the assets were maintained in the account. In the event the advisory agreement is terminated, the fee for the final billing period is prorated through the effective date of the termination and the outstanding or unearned portion of the fee is charged or refunded to the client, as appropriate.

Notwithstanding the foregoing, the Firm may charge fixed fees for model portfolio management services, as negotiated on a case-by-case basis. Overall factors to be considered will include the type and amount of assets to be managed and the complexity of the client's circumstances. These fixed fees vary and are negotiated between the IAR and their clients and are typically billed quarterly in advance.

The Firm's fees for assets managed through the Independent Manager Selection Program do not include advisory fees charged by Independent Managers selected to manage client assets as those fees are separate

from and in addition to the Firm's investment management fees and will be disclosed in the client's new account paperwork.

For clients whose assets are managed using the Envestnet Platform, the Firm's investment management fee includes a platform fee, a portion of which is retained by Aurora. Aurora's retention of a portion of the platform fee results in a conflict of interest as it creates an incentive for the Firm to use the Envestnet Platform to manage client assets. We mitigate this conflict of interest by disclosing it to clients and by meeting its fiduciary duty to act in the best interest of its clients.

Clients participating in the Wrap Program pay fees that differ from those described above. For a description of the fees associated with participation in the Wrap Program, please see the Firm's Wrap Brochure.

Retirement Plan Consulting Fees

Aurora offers retirement plan consulting services for fixed fees, hourly fees, and/or fees based upon assets under advisement. When the fee is based on assets under advisement, the annual fee varies depending on the services requested and the size of the plan. Fees will be charged quarterly in advance based upon the market value of the plan assets as of the last day of the previous billing period. Fees will not be adjusted based on additions and withdrawals during the calendar quarter. Alternatively, Aurora may charge a fixed and/or hourly fee for providing retirement planning consulting services. These fees are negotiable depending upon the scope and complexity of the services and the professional rendering the financial planning and/or consulting services. The Firm may request a retainer upon completion of its initial fact-finding session with the client.

Other Consulting Fees

The Firm's fee arrangements for consulting services provided to individuals, trusts, estates and charitable organizations resemble those for retirement planning consulting services although each engagement is negotiated on a case-by-case basis.

Fee Discretion

AURORA may, in its sole discretion, negotiate to charge a lesser fee based upon certain criteria, such as anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing/legacy client relationship, account retention, pro bono activities, or competitive purposes.

Additional Fees and Expenses

In addition to the advisory fees paid to Aurora, clients also incur certain charges imposed by other third parties, such as broker-dealers, custodians, trust companies, banks and other financial institutions (collectively "Financial Institutions"). These additional charges include securities brokerage commissions, transaction fees, custodial fees, reporting charges, management fees charged by the Independent Managers, margin costs, charges imposed directly by a mutual fund or ETF in a client's account, as disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. For example, our affiliate, APW Capital, charges commissions on the purchase and sale of securities as an introducing broker-dealer for accounts maintained at Pershing LLC. In addition, APW Capital charges other fees and expenses associated with maintaining a brokerage account. These fees and expenses can be found at <https://www.aurorapw.com/fees.php>. Please refer to the

"Brokerage Practices" section (Item 12) of this Form ADV for additional information.

A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). When Aurora provides rollover advice to a client or prospect regarding a retirement plan account or individual retirement account, Aurora is acting as a fiduciary 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. If Aurora recommends that a client roll over their retirement plan assets or transfer an IRA into an account to be managed by Aurora, and Aurora will earn an advisory fee on the rolled over assets, that recommendation creates a conflict of interest. Accordingly, Aurora operates under a special rule that requires Aurora to act in the client or prospects best interest and not put Aurora's interest ahead of the client's or prospects. No client is under any obligation to roll over retirement plan assets or transfer IRA assets to an account managed by Aurora.

Direct Fee Debit

Clients provide Aurora and/or certain Independent Managers with the authority to directly debit their accounts for payment of the investment advisory fees. The Financial Institutions that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Aurora.

Use of Margin

There are times when clients will want to use margin in their accounts or when Aurora recommends using margin. The use of margin is not suitable for all investors due to the increased risk. The Firm's investment management fees are assessed net of margin. A conflict of interest exists as the Firm has an incentive to use margin to increase its fees. In addition, having a margin account will incur some associated costs. Clients will be charged margin interest by the custodian on the debit balance in their custodial account. Clients should be aware that if a margin account is opened with Pershing, Aurora will receive a portion of the margin fee. This results in another conflict of interest where the Firm is incentivized to use or recommend margin in client accounts.

Account Additions and Withdrawals

Clients can make additions to and withdrawals from their account at any time, subject to Aurora's right to terminate an account. Additions can be in cash or securities provided that the Firm reserves the right to liquidate any transferred securities or declines to accept particular securities into a client's account. Clients can withdraw account assets on notice to Aurora, subject to the usual and customary securities settlement procedures. Aurora may consult with its clients about the options and implications of transferring securities. Clients are advised that when transferred securities are liquidated, they may be subject to transaction fees, short-term redemption fees, fees assessed at the mutual fund level (e.g., contingent deferred sales charges) and tax ramifications.

Commissions and Sales Charges for Recommendations of Securities

As described in greater detail in Item 10 below, AURORA is affiliated with APW Capital, an SEC registered broker-dealer and FINRA member. Clients can engage certain persons associated with APW Capital to render securities brokerage services under a separate commission-based arrangement. Clients are under no obligation to engage such persons and may choose brokers or agents not affiliated with AURORA.

Under this arrangement, the Firm's Supervised Persons, in their individual capacities as registered representatives of APW Capital, can provide securities brokerage services and implement securities transactions under a separate commission-based arrangement. Supervised Persons are entitled to a

portion of the brokerage commissions paid to APW Capital, as well as a share of any ongoing distribution or service(trail) fees from the sale of mutual funds. AURORA can also recommend no-load or load-waived funds, where no sales charges are assessed, but where the Supervised Person receives other forms of compensation. Prior to effecting any transactions, clients are required to enter into a separate account agreement with APW Capital.

Mutual Fund 12b-1 Fees: Certain mutual funds pay ongoing fees to third-parties under Rule 12b-1 for shareholder services, distribution, and marketing expenses. APW Capital and its Supervised Persons are entitled to receive rule 12b-1 fees for mutual funds held in clients' brokerage accounts. APW Capital and its registered representatives will recommend or select mutual funds that pay rule 12b-1 fees, including when a less expensive share class is available that does not pay a rule 12b-1 fee. The registered representatives APW Capital, may select the more expensive share class for a variety of reasons, including when one of APW Capital's registered representatives determines that it is an appropriate decision to avoid paying transaction fees charged to the client.

A conflict of interest exists to the extent that a Supervised Person of AURORA recommends the purchase or sale of securities through a brokerage relationship where that Supervised Persons and/or APW Capital receive commissions or other additional compensation as a result of that recommendation (the "Brokerage Relationship"). Because the Supervised Persons and/or APW Capital receive compensation in connection with the sale of securities in the Brokerage Relationship, a conflict of interest exists as such Supervised Persons have an incentive to recommend more expensive securities or services to clients where such Supervised Persons earn more compensation with respect to the sale of such securities through the Brokerage Relationship rather than through an advisory relationship with the Firm. The Firm has procedures in place to ensure that any recommendations made by such Supervised Persons to engage in the Brokerage Relationship are in the best interest of that client. Clients should understand that the investments made in the Brokerage Relationship are not receiving advisory services from the Firm. Therefore, the Firm does not have a fiduciary duty over the Brokerage Relationship recommendations. An additional conflict exists because BD is affiliated with the custodian that the Firm recommends for advisory clients, as described below.

To further mitigate this conflict, Pershing provides each client with a credit in the amount of the rule 12b-1 fees that APW Capital receives from mutual funds held in their account. In addition, AURORA has developed and implemented policies and procedures relating to the selection of appropriate share classes for clients and for reviewing and monitoring client holdings.

Additional Conflicts of Interest Related to Broker-Dealer, Registered Representative, Insurance Agency and Insurance Agent Affiliates

As described above, management personnel and IARs of AURORA are licensed as registered representatives of APW Capital, Inc., a broker-dealer and/or licensed as insurance agents or brokers (including with AURORA's affiliated insurance agency). These individuals are able to implement securities and insurance recommendations for clients for separate compensation (i.e., commissions or other sales-related forms of compensation). The most common types of securities that are recommended to clients through APW Capital are variable annuities, 529 plans, mutual funds, and other securities that are not managed for an advisory fee through AURORA.

When APW Capital acts as a broker-dealer, including when we recommends securities transactions or recommend that clients engage AURORA for investment advisory services, APW Capital, Inc. does not act as a "fiduciary" under the federal securities or retirement laws nor as a registered investment adviser. When APW Capital, Inc. acts as broker-dealer, it is subject to the Securities Exchange Act of 1934, the Securities Act of 1933, the rules of the Financial Industry Regulatory Authority (FINRA), and applicable state laws. The standards for broker-dealers under these rules and regulations include a duty

to deal fairly with customers, make sure that the commissions and other fees charged to customers are not excessive, and APW Capital, Inc. must have a reasonable basis for believing that any securities recommendations it makes to customers are in their best interest, given the customer's individual financial circumstances, needs and goals.

APW Capital, Inc. generally compensates AURORA's IARs on the revenue that he or she generates, and therefore, the IAR and AURORA have an incentive to recommend strategies, products and services that generate more overall compensation. AURORA addresses this conflict by disclosing it to clients.

AURORA IARs may enter into an agreement with a client to manage the subaccounts of a variable annuity that they own. IARs are limited to selecting the investment options that are available through the variable annuity contract. The broker-dealer and their supervised person, including IARs, who recommended the variable annuity receive sales charges or commissions from recommending variable annuities. This practice presents a conflict of interest, because IARs are incentivized to recommend variable annuities and the management of the subaccounts to receive the sales charge or commission from the sale of the variable annuity through APW Capital, Inc. and the advisory fee from AURORA for managing the subaccounts. The sale of the variable annuity and the management of the subaccounts are separate and distinct services.

The fees that APW Capital, Inc. receives if you purchase a variable annuity recommended by it are outlined in the prospectus and a substantial portion of those fees are paid to the IAR.

We mitigate this conflict of interest with internal policies and procedures that prohibit the sale of new variable annuity contracts for a commission through APW Capital, Inc. where AURORA also receives a fee for managing the subaccounts and disclosing this practice to clients and prospective clients so that they are aware of the practice and can make informed decisions.

There are also variable annuity contracts that are available without sales charges and commissions that may provide the same or similar benefits that would not provide APW Capital, Inc. or the IAR with any sales charge or commission compensation.

As described below under the heading of "Additional Fees and Expenses," accounts held at Pershing are subject to normal and customary transaction fees, and client's advisory fees are not reduced or offset based on APW Capital, Inc.'s receipt of this compensation. This results in a number of conflicts of interest, including an incentive to recommend that client's open non-advisory brokerage accounts and for IARs (in their capacity as registered representatives of APW Capital) to recommend more frequent transactions that result in additional compensation.

Item 6. Performance-Based Fees and Side-by-Side Management

Aurora does not provide any services for a performance-based fee (i.e., a fee based on a share of capital gains or capital appreciation of a client's assets).

Item 7. Types of Clients

Aurora offers services to individuals (including high net worth individuals), trusts, estates, pension and profit-sharing plans, charitable organizations, corporations or other businesses not listed above.

Minimum Account Requirements

Aurora does not impose a stated minimum fee or minimum portfolio value for starting and maintaining an investment management relationship.

For third-party Money Managers that impose a minimum requirement AURORA will honor the minimum requirements of the sub-adviser and collect fees based on the sub-advisers billing practices.

AURORA works with numerous sub-advisers, co-advisors, on a third-party basis, each may have different billing practices than the company. In these instances the Form ADV for that manager will take precedent.

Certain Independent Managers may, however, impose more restrictive account requirements and billing practices from the Firm. In these instances, Aurora may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis

Our IARs use the following methods of analysis in formulating their investment advice.

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

Fundamental Analysis. The Firm attempts to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical Analysis. The Firm analyzes past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Asset Allocation. Rather than focusing primarily on securities selection, the Firm attempts to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change

over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Mutual Fund and/or ETF Analysis. The Firm looks at the experience and track record of the manager of the mutual fund or ETF in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The Firm also looks at the underlying assets in a mutual fund or ETF in an attempt to determine if there is significant overlap in the underlying investments held in another fund(s) in the client's portfolio.

The Firm also monitors the funds or ETFs in an attempt to determine if they are continuing to follow their stated investment strategy. A risk of mutual fund and/or ETF analysis is that, as in all securities investments, past performance does not guarantee future results. A manager who has been successful may not be able to replicate that success in the future. In addition, as the Firm does not control the underlying investments in a fund or ETF, managers of different funds held by the client may purchase the same security, increasing the risk to the client if that security were to fall in value. There is also a risk that a manager may deviate from the stated investment mandate or strategy of the fund or ETF, which could make the holding(s) less suitable for the client's portfolio.

Independent Manager Analysis. The Firm examines the experience, expertise, investment philosophies, and past performance of Independent Managers in an attempt to determine if that manager has demonstrated an ability to invest over a period of time and in different economic conditions. The Firm monitors the Independent Manager's underlying holdings, strategies, concentrations and leverage as part of the Firm's overall periodic risk assessment. Additionally, as part of the Firm's due diligence process, the Firm surveys the Independent Manager's compliance and business enterprise risks.

A risk of investing with an Independent Manager who has been successful in the past is that it may not be able to replicate that success in the future.

In addition, as the Firm does not control the underlying investments in an Independent Manager's portfolio, there is also a risk that the Independent Manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for the Firm's clients. Moreover, as the Firm does not control the Independent Manager's daily business and compliance operations, the Firm may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Risks for all forms of analysis. The Firm's securities analysis methods rely on the assumption that the companies whose securities the Firm purchases and sells, the rating agencies that review these securities, and other publicly available sources of information about these securities, are providing accurate and unbiased data. While the Firm is alert to indications that data may be incorrect, there is always a risk that the Firm's analysis may be compromised by inaccurate or misleading information.

Investment Strategies

The Firm uses the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. The Firm purchases securities with the idea of holding them in the client's account for a year or longer. Typically, the Firm employs this strategy when:

- it believes the securities to be currently undervalued, and/or
- it wants exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, The Firm may not take advantage of short-term gains that could be profitable to a client. Moreover, if the Firm's predictions are incorrect, a security may decline sharply in value before the Firm makes the decision to sell.

Short-term purchases. When utilizing this strategy, the Firm purchases securities with the idea of selling them within a relatively short time (typically a year or less). The Firm does this in an attempt to take advantage of conditions that it believes will soon result in a price swing in the securities it purchases.

Margin transactions. The Firm will purchase stocks for a client's portfolio with money borrowed from the client's brokerage account. This allows the client to purchase more stock than the client would be able to with available cash and allows the Firm to purchase stock without selling other holdings.

Option writing. The Firm may use options as an investment strategy. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an asset (such as a share of stock) at a specific price on or before a certain date. An option, just like a stock or bond, is a security. An option is also a derivative, because it derives its value from an underlying asset.

Two principal types of options are calls and puts:

- A call gives the Firm the right to buy an asset at a certain price within a specific period of time. The Firm will buy a call if it has determined that the stock may increase substantially before the option expires.
- A put gives the holder the right to sell an asset at a certain price within a specific period of time. The Firm will buy a put if it has determined that the price of the stock may fall before the option expires.

The Firm may use options to speculate on the possibility of a sharp price swing. The Firm may also use options to "hedge" a purchase of the underlying security. In other words, The Firm may use an option purchase to limit the potential upside and downside of a security the Firm has purchased for a client's portfolio.

The Firm may use "covered calls", in which it sells an option on security a client owns. In this strategy, the client receives a fee for making the option available, and the person purchasing the option has the right to buy the security from the client at an agreed-upon price.

The Firm may use a "spreading strategy", in which it purchases two or more option contracts (for example, a call option that a client buys and a call option that the client sells) for the same underlying security. This effectively puts the client on both sides of the market, but with the ability to vary price, time and other factors.

Certain of our IARs may use strategies that involve market timing, which generally involves looking at technical factors or trends in the market to predict when to enter or exit the market or increase allocations to equity positions. These strategies typically rely on investment signals provided by third parties but could be determined by one of our IARs. These strategies will not always, and may never, enter and exit the market at the most favorable price in the particular price trend or other pattern being traded. Incorrect signals or investment decisions may cause clients to exit the market when prices continue to rise or miss out on re-entry into the market and cause them to avoid market gains or both. There is no guarantee that any market timing strategy will perform as planned. In addition, these strategies may involve higher than average trading, which will cause clients to incur transaction fees. Trading fees can reduce the amount of clients' overall investment.

These strategies at times will involve high cash and cash-equivalent holdings in your account. Certain strategies undertaken by IARs involve investing a client's portfolio either fully or partially in one or more securities, and depending on actual or perceived market factors, selling all or part of those securities and maintaining a portfolio that is either fully or partially invested in cash or cash-equivalent positions. The specific details of client's IARs approach may vary and clients should discuss the details of the strategy with their IAR. Depending on the IAR's strategy, a client's portfolio may remain in cash or cash-equivalent positions for extended periods. Because this is part of the intended strategy, the client's account will continue to be subjected to advisory fees outlined above even at times when the portfolio is invested in cash or cash-equivalent positions. Clients will receive periodic account statements reflecting their portfolio's allocation. After a review of any account statement, if client no longer desire for their portfolio to be invested in cash or cash-equivalent positions, the client should discuss their preference with their IAR and the parties can mutually agree on a different investment strategy.

Risk of Loss

The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved with respect to the Firm's investment management activities. Clients should consult with their legal, tax, and other advisors before engaging the Firm to provide investment management services on their behalf.

Market Risks

The price of a security, bond, or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

Inflation Risk

When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Currency Risk

Overseas investments are subject to fluctuations in the value of the dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk.

Interest Rate Risks

Interest rates may fluctuate significantly, causing price volatility with respect to securities or instruments held by clients.

Reinvestment Risk

This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.

Business Risk

These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Liquidity Risk

Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.

Financial Risk

Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Volatility Risks

The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Cash Management Risks

The Firm may invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

Equity-Related Securities and Instruments

The Firm may take long positions in common stocks of U.S. and non-U.S. issuers traded on national securities exchanges and over-the-counter markets. The value of equity securities varies in response to many factors. These factors include, without limitation, factors specific to an issuer and factors specific to the industry in which the issuer participates. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments, and the stock prices of such companies may suffer a decline in response. In addition, equity securities are subject to stock risk, which

is the risk that stock prices historically rise and fall in periodic cycles. U.S. and non-U.S. stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. In addition, investments in small-capitalization, mid-capitalization and financially distressed companies may be subject to more abrupt or erratic price movements and may lack sufficient market liquidity, and these issuers often face greater business risks.

Fixed Income Securities

While the Firm emphasizes risk-averse management and capital preservation in its fixed-income bond portfolios, clients who invest in this product can lose money, including losing a portion of their original investment. The prices of the securities in our portfolios fluctuate. The Firm does not guarantee any particular level of performance. Below is a representative list of the types of risks clients should consider before investing in this product.

- Interest rate risk. Prices of bonds tend to move in the opposite direction to interest rate changes. Typically, a rise in interest rates will negatively affect bond prices. The longer the duration and average maturity of a portfolio, the greater the likely reaction to interest rate moves.
- Credit (or default) risk. A bond's price will generally fall if the issuer fails to make a scheduled interest or principal payment, if the credit rating of the security is downgraded, or if the perceived creditworthiness of the issuer deteriorates.
- Liquidity risk. Sectors of the bond market can experience a sudden downturn in trading activity. When there is little or no trading activity in a security, it can be difficult to sell the security at or near its perceived value. In such a market, bond prices may fall.
- Call risk. Some bonds give the issuer the option to call or redeem the bond before the maturity date. If an issuer calls a bond when interest rates are declining, the proceeds may have to be reinvested at a lower yield. During periods of market illiquidity or rising rates, prices of callable securities may be subject to increased volatility.
- Prepayment risk. When interest rates fall, the principal of mortgage-backed securities may be prepaid. These prepayments can reduce the portfolio's yield because proceeds may have to be reinvested at a lower yield.
- Extension risk. When interest rates rise or there is a lack of refinancing opportunities, prepayments of mortgage-backed securities or callable bonds may be less than expected. This would lengthen the portfolio's duration and average maturity and increase its sensitivity to rising rates and its potential for price declines.

Mutual Funds and ETFs

An investment in a mutual fund or ETF involves risk, including the loss of principal. Mutual fund and ETF shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds and ETFs are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself or

a broker acting on its behalf. The trading price at which a share is transacted is equal to a fund's stated daily per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium or discount to actual NAV.

Shares of ETFs are listed on securities exchanges and transacted at negotiated prices in the secondary market. Generally, ETF shares trade at or near their most recent NAV, which is generally calculated at least once daily for index-based ETFs and potentially more frequently for actively managed ETFs. However, certain inefficiencies may cause the shares to trade at a premium or discount to their pro rata NAV. There is also no guarantee that an active secondary market for such shares will develop or continue to exist. Generally, an ETF only redeems shares when aggregated as creation units (usually 20,000 shares or more). Therefore, if a liquid secondary market ceases to exist for shares of a particular ETF, a shareholder may have no way to dispose of such shares.

Use of Independent Managers

As stated above, AURORA selects certain Independent Managers to manage a portion of its clients' assets. In these situations, AURORA continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, AURORA does not have the ability to supervise the Independent Managers on a day-to-day basis.

Options

Options allow investors to buy or sell a security at a contracted "strike" price at or within a specific period of time. Clients may pay or collect a premium for buying or selling an option. Investors transact in options to either hedge (i.e., limit) losses in an attempt to reduce risk or to speculate on the performance of the underlying securities. Options transactions contain a number of inherent risks, including the partial or total loss of principal in the event that the value of the underlying security or index does not increase/decrease to the level of the respective strike price. Holders of options contracts are also subject to default by the option writer which may be unwilling or unable to perform its contractual obligations.

Use of Margin

While the use of margin borrowing for investments can substantially improve returns, it may also increase overall portfolio risk. Margin transactions are generally effected using capital borrowed from a Financial Institution, which is secured by a client's holdings. Under certain circumstances, a lending Financial Institution may demand an increase in the underlying collateral. If the client is unable to provide the additional collateral, the Financial Institution may liquidate account assets to satisfy the client's outstanding obligations, which could have extremely adverse consequences. In addition, fluctuations in the amount of a client's borrowings and the corresponding interest rates may have a significant effect on the profitability and stability of a client's portfolio.

Material risks associated with the methods of analysis and investment strategies used include actual

company specific or market events that may contradict assumptions at the time a security was chosen, and/or a security's actual performance that may not follow trends previously identified in the analysis conducted. Any performance quoted represents past performance, is no guarantee of future results, and will not provide an adequate basis for evaluating the performance of the product over varying market conditions or economic cycles. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost.

Item 9. Disciplinary Information

Aurora has not been involved in any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of its management.

Item 10. Other Financial Industry Activities and Affiliations

This item requires investment advisers to disclose certain financial industry activities and affiliations.

Related Broker Dealer and Supervised Persons as Registered Representatives

Management personnel and IARs of Aurora may be licensed as registered representatives of APW Capital, an affiliate broker-dealer. These individuals can affect securities transactions on a commission basis for which they will receive separate, yet customary compensation. Please refer to the "Conflict of Interest Related to Broker-Dealer, Insurance Agency and Insurance Agents" section in Item 5 for additional information about the conflicts of interests that this relationship creates and how we seek to mitigate them. In addition, APW Capital charges commissions on the purchase and sale of securities as an introducing broker-dealer for accounts maintained at Pershing LLC. Please refer to the "Additional Fees and Expenses" section in Item 5 of this Form ADV for additional information.

APW Capital has also entered into a marketing support arrangement with a provider of structured note products where APW Capital receives compensation for providing educational support and referrals with respect to such products. A conflict of interest exists because Aurora has an incentive to recommend such products to its advisory clients as a result of this marketing support arrangement entered into by its affiliate. Nonetheless, Aurora will only recommend such structured note products when it believes such products are in its clients' best interest. No IAR of Aurora other than Aurora's CEO has a financial interest arising out of the marketing support arrangement described above.

Management personnel of our firm and IARs, in their individual capacities, may be agents for various insurance companies, including AIS, a licensed insurance producer (agency), which is currently licensed to sell life, accident, health, sickness and variable insurance. AIS is under common control with us. As such, these individuals and AIS are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals or AIS when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Clients should be aware that the receipt of additional compensation by IARs and/or AIS or APW Capital creates a conflict of interest that affects the objectivity of our IARs when making advisory recommendations. Aurora seeks to mitigate this conflict of interest by taking the following steps:

- IARs do not receive any portion of the commission compensation received by APW Capital arising from the IAR's management of advisory accounts, except IARs receive compensation for the sale of a variable annuity. Aurora and APW Capital's CEO stands to receive profit distributions from APW Capital and/or Aurora, if any, independent of his role as an IAR.
- we disclose to clients material conflicts of interest, including the potential for our firm, our affiliates and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment or insurance products on a commission-basis from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all commission-based recommendations of securities made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the need for having a reasonable and independent basis for the investment advice provided to clients.

Related Investment Adviser

Aurora is under common control with Comprehensive Capital Management, Inc. ("CCM"), an SEC registered investment adviser. Certain IARs of Aurora also serve in the same or similar capacity for CCM. A conflict of interest exists where AURORA or CCM (or their Supervised Persons) recommend the use of the other for advisory services to clients because the firm's principals and/or other Supervised Persons benefit financially from such recommendation.

Item 11. Code of Ethics

The Firm has adopted a code of ethics in compliance with applicable securities laws ("Code of Ethics") which sets forth high ethical standards of business conduct that it requires of its employees, including compliance with applicable federal securities laws.

The Firm and its personnel owe a duty of loyalty, fairness and good faith towards its clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

The Firm's Code of Ethics includes policies and procedures that address principles governing personal investment activities of IARs. Among other things, the Firm's Code of Ethics also requires the prior approval of any acquisition of securities in a limited offering (e.g., private placement) or an initial public offering.

The Firm's Code of Ethics also includes provisions addressing oversight, enforcement and recordkeeping.

The Firm's Code of Ethics also includes a policy prohibiting the use of material non-public information. While the Firm does not believe that it has any particular access to non-public information, all IARs are reminded that such information may not be used in a personal or professional capacity.

As disclosed in the preceding section of this Brochure (Item 10), related persons of our firm may be separately registered as securities representatives of APW Capital, a broker-dealer. Related persons may also be IARs of another registered investment adviser and licensed as an independent insurance agent/broker of various insurance companies. Please refer to Item 10 and 5 for a detailed explanation of these relationships and important conflict of interest disclosures.

Clients and prospective clients may request a copy of the Firm's Code of Ethics by contacting compliance@aurorapw.com or by calling the Compliance Department at 973-394-0404.

Item 12. Brokerage Practices

Recommendation of Broker-Dealers for Client Transactions

Aurora recommends the broker-dealer that clients utilize for custody, brokerage and clearing services. The Firm recommends APW Capital/Pershing or Charles Schwab & Co, Inc. through its Schwab Advisor Services division ("Schwab") for investment management accounts. The final decision to custody assets with the Custodians is at the discretion of the client, including those accounts under ERISA or IRA rules and regulations, in which case the client is acting as either the plan sponsor or IRA account holder. AURORA is independently owned and operated and not affiliated with the Custodians. The Custodians provide AURORA with access to its institutional trading and custody services, which are typically not available to retail investors.

Factors which AURORA considers in recommending Custodian or any other broker-dealer to clients include their respective financial strength, reputation, execution, pricing, research and service. The Custodians enable the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by the Custodians may be higher or lower than those charged by other Financial Institutions.

The commissions paid by AURORA's clients to the Custodians comply with the Firm's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where AURORA determines that the commissions are reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a Financial Institution's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. AURORA seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Offering of Accounts Introduced by APW Capital (Pershing)

Our determination to permit APW Capital/Pershing to be recommended for brokerage service is based on our decision that we can provide efficient and cost-effective services through our affiliated broker-dealer. However, the use of an affiliated broker-dealer is an inherent conflict of interest between Aurora and its clients because recommending that our clients to use APW Capital as their broker-dealer allows our affiliate

to earn additional compensation that we would not otherwise, which is described in Item 5 above. Clients should understand that not all investment advisers recommend the use of a particular broker-dealer or require the use of a broker-dealer that is affiliated with the investment adviser.

The offering of Pershing (which is not affiliated with Aurora or APW Capital) is based on the fact that APW Capital has established a clearing agreement with Pershing. Because Aurora and APW Capital are under common ownership, the decision to use Pershing was mutually determined by both parties. While it may (or may not) provide the lowest trading costs to clients, we have considered the positive factors to this approach which include the ability to better negotiate brokerage costs such as transaction fees, the ability to better analyze speed of execution, and the ability to compare and negotiate services. In addition, we have determined that the use of APW Capital/Pershing allows us to provide streamlined operational and trading services. APW Capital receives no benefit on advisory assets held at APW Capital/Pershing other than the margin fee description herein.

Offering of Accounts Held at Schwab and other Non-Affiliated Broker-Dealers

Factors which Aurora considers in recommending Schwab and other non-affiliated broker-dealers include their respective financial strength, reputation, execution, pricing, research and service. Schwab enables the Firm to obtain many mutual funds without transaction charges and other securities at nominal transaction charges. The commissions and/or transaction fees charged by Schwab may be higher or lower than those charged by other broker dealers.

The commissions paid by Aurora's clients to Schwab comply with the Firm's duty to seek "best execution." Clients may pay commissions that are higher than another broker dealer might charge to affect the same transaction where Aurora determines that the commissions are reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including among others, the value of research provided, execution capability, commission rates and responsiveness. Aurora seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions. While Aurora endeavors to purchase the most appropriate mutual fund share classes for its clients, there is no guarantee that Aurora will be successful in purchasing the least-expensive share class in hindsight.

Consistent with obtaining best execution, brokerage transactions are directed to certain broker-dealers in return for investment research products and/or services which assist Aurora in its investment decision-making process. Such research will be used to service all of the Firm's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the benefit of such investment research products and/or services poses a conflict of interest because Aurora does not have to produce or pay for the products or services.

Certain of the support services and products that AURORA receives may assist in managing and administering client accounts. Others assist them to manage and further develop their business enterprise.
Review of Best Execution

Aurora periodically and systematically reviews its policies and procedures regarding its recommendation

Institutions

Aurora receives without cost from Schwab administrative support, computer software, related systems support, as well as other third-party support as further described below (together “Support”) which allow Aurora to better monitor client accounts maintained at Schwab and otherwise conduct its business. Aurora receives the Support without cost because the Firm renders investment management services to clients that maintain assets at Schwab. The Support is not provided in connection with securities transactions of clients (i.e., not “soft dollars”). The Support benefits Aurora, but not its clients directly. Clients should be aware that Aurora’s receipt of economic benefits such as the Support from a broker-dealer creates a conflict of interest since these benefits will influence the Firm’s choice of one broker-dealer over another that does not furnish similar software, systems support or services, especially because the support is contingent upon clients placing a certain level(s) of assets at Schwab. In fulfilling its duties to its clients, Aurora endeavors, at all times, to put the interest of its clients first and has determined that the recommendation of Schwab is in the best interest of clients and satisfies the Firm’s duty to seek best execution.

Specifically, Aurora receives the following benefits from Schwab: i) receipt of duplicate client confirmations and bundled duplicate statements; ii) access to a trading desk that exclusively services its institutional traders; iii) access to block trading which provides the ability to aggregate securities transactions and then allocate the appropriate shares to client accounts; and iv) access to an electronic communication network for client order entry and account information.

In addition, the Firm receives funds to be used toward qualifying third-party service providers for research, marketing, compliance, technology and software platforms and services. Schwab’s services include brokerage services that are related to the execution of securities transactions, custody, research, including that in the form of advice, analyses and reports, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

For client accounts maintained in its custody, Schwab generally does not charge separately for custody services but is compensated by account holders through commissions or other transaction-related or asset-based fees for securities trades that are executed through Schwab or that settle into Schwab accounts.

Schwab also makes available to the Firm other products and services that benefit the Firm but may not benefit its clients’ accounts. These benefits include free attendance at national, regional or Firm specific educational events organized and/or sponsored by Schwab, including the annual IMPACT conference. Other potential benefits may include occasional business entertainment of personnel of Aurora by Schwab personnel, including meals, invitations to sporting events, including golf tournaments, and other forms of entertainment, some of which may accompany educational opportunities. Other of these products and services assist Aurora in managing and administering clients’ accounts. These include software and other technology (and related technological training) that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of the Firm’s fees from its clients’ accounts, and assist with back-office training and support functions, recordkeeping and client reporting. Many of these services generally may be used to service all or some substantial number of the Firm’s accounts, including accounts not maintained at Schwab. Schwab also makes available to Aurora other services intended to help the Firm manage and further develop its business

enterprise. These services may include professional compliance, legal and business consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, employee benefits providers, human capital consultants, insurance and marketing. In addition, Schwab may make available, arrange and/or pay vendors for these types of services rendered to the Firm by independent third parties. Schwab may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third- party providing these services to the Firm. While, as a fiduciary, Aurora endeavors to act in its clients' best interests, the Firm's recommendation that clients maintain their assets in accounts at Schwab may be based in part on the benefits received and not solely on the nature, cost or quality of custody and brokerage services provided by Schwab, which creates a potential conflict of interest.

Aurora receives discounted access to certain business-related software, from SEI Investment Company (SEI). SEI is a global provider of investment processing, investment management, and investment operations solutions. SEI provides products and services to institutions, private banks, investment advisors, investment managers, and private clients. This financial planning software is provided at a lower cost to Aurora IARs. Aurora receives the software and related support at a reduced cost because Aurora renders investment management services to clients that maintain assets at SEI. The software and support are not provided in connection with securities transactions of clients (i.e., not "soft dollars"). Aurora's receipt of this economic benefit from SEI creates a conflict of interest since these benefits may influence Aurora and its IAR's choice of SEI over another financial services company that does not furnish similar software, systems support or services.

Brokerage for Client Referrals

AURORA does not consider, in selecting or recommending broker-dealers, whether the Firm receives client referrals from the Financial Institutions or other third party.

Directed Brokerage

The client may direct Aurora, in writing, to use a particular Financial Institution to execute some or all transactions front he client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution and the Firm will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by Aurora (as described above). As a result, the client may pay higher commissions or other transaction costs, greater spreads or may receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, Aurora may decline a client's request to direct brokerage if, in the Firm's sole discretion, such directed brokerage arrangements would result in additional operational difficulties or violate restrictions imposed by other broker-dealers (as further discussedbelow).

Trade Aggregation

IARs are generally responsible for providing investment advice to client, and because of this, the decision of whether to aggregate trades will be determined by each IAR. IARs will aggregate trades if they determine it is administratively and operationally feasible, including in situations to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among the Firm's clients differences in prices and commissions or other transaction costs that might not have been obtained had such orders been placed independently. IARs are generallyonlyable to aggregate trades among clients whose accounts are held at the same Financial Institution. Aurora's block trading policy and procedures comply with applicable law. Item 13.

Account Reviews

For clients participating in the Independent Portfolio Management Program or the Model Portfolio Management Program, Aurora monitors client portfolios on a periodic basis while regular account reviews are conducted at least annually, depending on the type of engagement. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment. Such reviews are conducted by the client's IARs. All investment advisory clients are encouraged to discuss their needs, goals and objectives with Aurora and to keep the Firm informed of any changes thereto.

For clients that participate in the Independent Manager Selection Program, accounts are reviewed by the client's IAR at least annually or as otherwise agreed upon in the client's Advisory Agreement.

For clients that receive retirement plan consulting services, the Firm will review the client's IPS whenever the client advises the Firm of a change in circumstances regarding the needs of the plan. Aurora will also review the investment options of the plan according to the agreed upon time intervals established in the IPS. Such reviews will generally occur annually and are conducted by the client's IAR.

Account Statements and Reports

Clients are provided with transaction confirmation notices and regular summary account statements directly from the broker dealer where their assets are held. Additionally, with certain exceptions, the Firm can make available online access to quarterly reports summarizing account performance, balances and holdings, except in cases where the securities used do not provide the Firm with electronic information access. The Firm provides reports to clients receiving retirement planning consulting services based on terms contained in their Advisory Agreements. Whenever clients receive reports from the Firm, they should compare the account statements they receive from their custodian with any documents or reports they receive from Aurora or an outside service provider.

Item 14. Client Referrals and Other Compensation

Client Referrals

In the event a client is introduced to Aurora by either an unaffiliated or an affiliated solicitor, the Firm may pay that solicitor a referral fee in accordance with applicable state securities laws. Unless otherwise disclosed, any such referral fee is paid solely from Aurora's investment management fee and does not result in any additional charge to the client. However, because our IARs generally negotiate their advisory fees with clients, a client introduced by a Solicitor may pay more than other clients of the firm. However, in most instances, they will pay the same rate as other clients being serviced by that IAR. If the client is introduced to the Firm by an unaffiliated solicitor, the solicitor is required to provide the client with a copy of a solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement. Any affiliated solicitor of Aurora is required to disclose the nature of his or her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of the Firm's written brochure(s) at the time of the solicitation.

Other Economic Benefits

The Firm receives economic benefits from Schwab. The benefits, conflicts of interest and how they are addressed are discussed above in response to Item 12. In addition, from time to time, we or certain of our IARs may receive expense reimbursements for marketing expenses from other investment managers, distributors or sponsors of investments, and insurance companies. Marketing expense reimbursements are typically the result of informal expense sharing arrangements in which the other company agrees to pay costs incurred for marketing, such as advertising, publishing and seminar expenses. Although receipt of these expense reimbursements are not predicated upon specific sales or revenue quotas, the reimbursements are typically made by those companies that have received some financial benefit or expect to receive a financial benefit in the future. These arrangements create a conflict of interest, because they can impact our judgment or the judgment of an IAR in recommending an investment manager, issuer, distributor, or insurance company. We maintain procedures designed to mitigate this conflict of interest. IARs must disclose the existence of these relationships to our Chief Compliance Officer who is responsible for reviewing and approving an expense reimbursement arrangement and each specific reimbursement. In addition, Aurora or an affiliate receives the payment directly from the payor and provides the reimbursement to the IAR. Clients and prospective clients are also free to inquire about these expense reimbursement arrangements and our Chief Compliance Officer will provide information about specific payments.

Item 15. Custody

The Advisory Agreement and/or the separate agreement with any broker dealer authorizes Aurora to debit client accounts for payment of the Firm's fees and to directly remit that those funds to the Firm in accordance with applicable custody rules. The broker dealer that act as the qualified custodian for client accounts, from which the Firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Aurora. Where appropriate, Aurora also sends to clients a written invoice itemizing the fee.

In addition, as discussed in Item 13, Aurora will also send, or otherwise make available, periodic supplemental reports to clients. Clients should carefully review the statements sent directly by their qualified custodian and compare them to those received from Aurora. Any other custody disclosures can be found in the Firm's Form ADV Part 1.

Item 16. Investment Discretion

Aurora, in many circumstances, is given the authority to exercise discretion on behalf of clients. Aurora is considered to exercise investment discretion over a client's account if it can affect and/or direct transactions in client accounts without first seeking their consent. Aurora is given this authority through a limited power-of-attorney included in the agreement between Aurora and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). AURORA takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made;
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

Aurora does not accept the authority to vote a client's securities (i.e., proxies) on their behalf. Clients receive proxies directly from the Financial Institution where their assets are held and may contact the Firm at the contact information on the cover of this brochure with questions about any such issuer solicitations.

Item 18. Financial Information

Aurora is not required to disclose any financial information due to the following:

- The Firm does not require or solicit the prepayment of more than \$1,200 in fees six months or more in advance of services rendered;
- The Firm does not have a financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients; and
- The Firm has not been the subject of a bankruptcy petition at any time during the past ten years.