

Item 1: Cover Page

Form ADV Part 2A – Firm Brochure

Capital Insights Group of WNY, LLC.

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This brochure provides information about the qualifications and business practices of Capital Insights Group of WNY, LLC. If you have any questions about the contents of this brochure, please contact us at (716) 309-4109. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Capital Insights Group, LLC is also available on the SEC's website at www.adviserinfo.sec.gov.

References herein to Capital Insights Group of WNY, LLC. as a “registered investment adviser” or any reference to being “registered” does not imply a certain level of skill or training.

Item 2: Material Changes

There have been material changes to this Brochure since the last annual amendment filing dated June 9, 2023. Capital Insights Group of WNY (“CIG”) has made updates to the “Cash Management Fees”, in Item 5, on page 8. We will begin, once again, charging a fee for these services (now that interest rates have returned to more historically normal ranges).

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Form ADV Part 2B – Brochure Supplement – Bruce L. Carrow, CFP®, ChFC®, CAP®, AEP®	

Item 4: Advisory Business

Capital Insights Group of WNY, LLC. is an independently operated, privately-owned, financial planning and wealth management firm, founded by Christopher R. Cinelli, CFP® in 2016, and registered with the SEC. Mr. Cinelli is the sole owner and shareholder of the corporation and has been in the financial planning profession since 2004.

Capital Insights Group of WNY, LLC. is a fiduciary – offering financial planning and investment management services to individuals, families, small businesses, trusts, estates, and charitable organizations based upon their best interest.

If a client is: (1) a participant or beneficiary of a Retirement Plan subject to Title I of the Employee Retirement Income Security Act (“ERISA”) or described in section 4975(e)(1)(A) of the Internal Revenue Code (the “Code”), with authority to direct the investment of assets in his or her Plan account or to take a distribution; (2) the beneficial owner of an Individual Retirement Account (“IRA”) acting on behalf of the IRA; or, (3) a Retail Fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Code, then Capital Insights Group of WNY, LLC. represents that it and its investment adviser representatives are fiduciaries under ERISA or the Code, or both, with respect to any investment advice provided by Capital Insights Group of WNY, LLC. or its investment adviser representatives or with respect to any investment recommendations regarding a Retirement Plan subject to ERISA or participant or beneficiary account.

Financial Planning Services

We provide a variety of financial planning services, custom tailored to meet the unique needs of each client. Our analysis and recommendations may encompass financial planning topics such as: savings and investment programs; income and cash flow planning; debt and liability issues; income tax and estate planning; and assessment of insurance coverages including life insurance, disability insurance, long-term care insurance, and fixed-, variable-, or immediate-annuities.

Clients are required to enter into a *Financial Planning Agreement* prior to initiating financial planning services with Capital Insights Group of WNY, LLC. The *Financial Planning Agreement* will set forth the terms and conditions of the engagement (including termination), describe the scope of the services to be provided, and detail the fee to be paid by the client.

Please note: Capital Insights Group of WNY, LLC. is not responsible for verifying any information received from the client, or from other professionals working on behalf of the client, except as specifically outlined in the *Financial Planning Agreement*. It remains the client’s responsibility to promptly notify us if there is any change in their financial situation, life circumstances, or investment objectives, which may create a need to review, evaluate, or

otherwise revise any recommendations made by Capital Insights Group of WNY, LLC.

Clients seeking advice which is limited to only one or several of the financial planning topics listed above, may hire us on an a la carte basis, with prices dependent on the anticipated complexity of the work involved. Capital Insights Group of WNY, LLC. may provide these limited-scope financial planning services through an hourly-fee arrangement, or in exchange for a fixed fee (tied to the project). The completed analysis will include specific recommendations for the client to consider. The client retains sole-discretion and responsibility over the implementation process and is free to accept or reject any financial planning recommendations proposed by Capital Insights Group of WNY, LLC.

Clients seeking more comprehensive financial planning may hire us for an engagement that encompasses a broad spectrum of their financial picture including – savings, investments, insurances, taxes, and estate documents. The client will be guided through an organizational process which identifies key pieces of information, and any relevant documents, then catalogues the data within a secure, searchable, archival system. The client's pertinent information is analyzed using financial planning software to help identify strengths, weaknesses, opportunities, and threats within their current financial circumstances. The analysis will include specific recommendations for the client to consider; however, the decision to implement, or not implement, any of these recommendations is completely up to the client. Implementation of the action items selected is the sole responsibility of the client, except where specifically outlined in the *Financial Planning Agreement*. The comprehensive personal financial planning program is available for a fixed fee, and is typically equal to 1% of the client's adjusted gross income (AGI), but may be negotiated or adjusted at our discretion, and is dependent on circumstances.

During the course of providing financial planning services, Capital Insights Group of WNY, LLC. may recommend that our clients work with outside professionals, such as attorneys or accountants, if we feel it would be advisable for them to do so. We do not receive referral fees or any other compensation in connection with making these referrals, and our clients are welcome to use any accountant or attorney of their choosing. **Please note:** If the client engages any such outside professional, and a dispute arises relative to the services delivered by that professional, the client agrees to seek recourse exclusively from and against the engaged professional, not from Capital Insights Group of WNY, LLC. for making the referral.

During the course of providing financial planning services, Capital Insights Group of WNY, LLC. may recommend that our clients consider utilizing certain financial products, if we feel it would be advisable for them to do so. These products may include, but are not limited to, life insurance, disability insurance, long-term care insurance, liability insurance, and fixed-

variable-, or immediate-annuities. **Please note:** The purchase of insurance products, such as those listed above, may generate a commission paid to an insurance agent who is connected to such a transaction. **Capital Insights Group of WNY, LLC. is a *fee-only* financial planning firm; therefore, we do not engage in any commission-based sales practices;** however, we can assist clients in working with a licensed insurance agent who can directly facilitate those planning objectives. We do not receive referral fees or any other compensation in connection with making referrals to outside insurance professionals, and our clients are always welcome to choose any insurance agent or advisor to assist them with the implementation of any financial planning recommendations.

Our financial planning clients, if circumstances allow, may be eligible to engage Capital Insights Group of WNY, LLC. for the implementation of the investment management services recommended in their financial plan. Our investment management services are available as a separate and distinct offering from our financial planning services. The process of hiring Capital Insights Group of WNY, LLC. for investment management services would involve completing an *Investment Advisory Agreement*, and would entail a separate and additional fee. The *Investment Advisory Agreement* would set forth the terms and conditions of the investment management services to be provided (including termination), describe the scope of the services, and detail the fee to be paid by the client. **Please note:** There may be a conflict of interest in circumstances when the financial planning engagement involves consulting on a decision such as: (1) choosing between leaving investment assets in an employer-sponsored retirement plan (through a current or former employer) or rolling the assets over into an IRA (Individual Retirement Account); or (2) choosing between a lump-sum distribution option and an income-stream distribution option (within an employer-sponsored retirement plan). In those circumstances, if the client were to roll over the assets into an IRA, or to elect a lump-sum distribution option, the resulting proceeds would generally be eligible for investment management services offered by Capital Insights Group of WNY, LLC. This could result in the potential for an additional revenue stream for the firm, thereby creating an economic incentive for us to otherwise encourage the client to choose the rollover option instead of an income stream. We address this conflict of interest by alerting clients to the presence of such circumstances when they arise, and by not requiring clients to utilize the investment management services offered by Capital Insights Group of WNY, LLC., regardless of which payout option they choose. Clients are always welcome to use any payout options available to them.

Investment Management Services

Our investment management services involve discussing a client's investment goals, planning objectives, and risk tolerance, and utilizing that information to manage an investment portfolio which fits their individual circumstances. We offer our investment management services both on a discretionary or nondiscretionary basis.

Discretionary authority grants us the ability to determine, without obtaining specific client consent, the securities to be bought or sold within the portfolio, and the amount of securities to be bought or sold. This allows Capital Insights Group of WNY, LLC. to utilize our professional judgement to make, and execute, real-time investment management decisions, with the client's best interest in mind. The scope and parameters of our discretion are outlined in the *Investment Advisory Agreement*, and is signed by both the client and Capital Insights Group of WNY, LLC. As of February 29, 2024, we managed \$37,570,637 in assets for 122 clients on a discretionary basis.

Nondiscretionary investment management requires that we obtain individual and specific client approval before we make or execute, any recommended portfolio adjustments. This allows for greater client involvement, but results in a less timely and responsive form of portfolio management, as each and every transaction must be discussed with each and every nondiscretionary client, before changes can be made. As such, Capital Insights Group of WNY, LLC., in our sole-discretion, may limit or restrict the availability of our nondiscretionary investment management services with respect to enrolling new clients or accounts into the program.

Client portfolios may consist of, but are not limited to: no-load or load-waived mutual funds (which do not charge a commission or sales charge), exchange-traded funds, closed-end funds, individual stocks, individual bonds, exchange-listed limited partnerships or master limited partnerships, and various exchange-traded trust arrangements, such as currency trusts and energy royalty trusts. **Please note:** Capital Insights Group of WNY, LLC. may utilize long and short mutual funds and/or exchange-traded funds that are designed to perform in either: an inverse relationship to certain market indices, financial assets, or market segments (at a rate of one or more times the corresponding movement of the underlying index, asset, or segment) as an investment strategy or hedge against downside risk; or an enhanced relationship to certain market indices, financial assets, or market segments (at a rate of one or more times the corresponding movement of the underlying index, asset, or segment) as an investment strategy or for purposes of increasing gains in an advancing market. These strategies contain enhanced risks and rewards, and there can be **no assurance** that any such strategy will prove successful or profitable. Clients not wanting to participate in any or all such strategies may direct Capital Insights Group of WNY, LLC. in writing not to utilize such funds in their account.

Item 5: Fees and Compensation

Financial planning and investment management fees will be clearly set forth, in writing, prior to initiating any such services, and signed by both parties. We reserve the right to negotiate our fees, at our sole-discretion, therefore actual fees may be higher or lower than those described in this Brochure, depending on the circumstances.

Financial Planning Fees

We offer financial planning services on an hourly or fixed fee basis, as described in further detail in “**Item 4: Advisory Business**” beginning on page 3. The hourly fee for Capital Insights Group of WNY, LLC. is typically \$250 per hour, although it can vary based on the scope and nature of the planning required, and on the complexity involved. Our fixed fee typically ranges from \$1,500 to \$3,000 depending on the scope of the project. If information is uncovered during the course of planning which reveals a significantly more complex situation (as determined by our professional judgement), or otherwise alters the original scope of the engagement, a revised fee agreement will need to be executed. The client will not be obligated to pay any additional fees, nor will Capital Insights Group of WNY, LLC. be obligated to provide any additional services, unless and until the change of scope is outlined in writing, and signed by both parties.

Generally, we require a retainer at the time of signing our *Financial Planning Agreement*, but we do not require or solicit more than \$1,200 in fees, per client, for services to be completed six months or more in advance. After the agreed upon work is completed, clients may elect to request further services, as needed, payable at an agreed upon rate, and as outlined in a *Financial Planning Agreement*. If the financial planning engagement is terminated in writing, by either party, prior to completion, a prorated refund of any unearned fees will be calculated and issued within 30 days after receipt of proper notice, as described in the *Financial Planning Agreement*.

Investment Management Fees

Although our fees for investment management services may be negotiated under certain circumstances, our standard fee schedule is as follows:

<u>Market Value of Investment Portfolio</u>	<u>Annual Fee</u>
First \$1 million (\$0 to \$1,000,000)	1.0%
Next \$2 million (\$1,000,000. ⁰¹ to \$3,000,000)	0.5%
Next \$2 million (\$3,000,000. ⁰¹ to \$5,000,000)	0.4%
Above \$5 million (\$5,000,000. ⁰¹ and above)	0.3%

For our client accounts utilizing our investment management services, we charge our investment management fee, in arrears, based on a percentage of the average daily account value of the preceding month. This fee schedule is applied on the portfolio level, so it encompasses all investment management services accounts managed for the same client household (but does not include cash management accounts for that household).

Cash Management Fees

For our client accounts utilizing our cash management services, we will purchase a portfolio of “cash equivalents” which include CDs and/or U.S. Treasuries based on prevailing interest rates and the client’s needs. As securities make interest payments and/or mature, CIG will reinvest the proceeds into new CDs and/or U.S. Treasuries, unless otherwise noted. Clients benefit from the ability to access low risk securities-, often yielding interest rates that are higher than offered by local banks-, and enjoy streamlined year-end tax reporting.

We charge our cash management fee, in arrears, based on a percentage of the average daily account value of the preceding month. This fee is 0.10% annually.

Capital Insights Group of WNY, LLC. has a fiduciary duty to provide investment management and cash management services which are consistent with the client’s best interest – including making portfolio adjustments deemed necessary or beneficial. However, there may be prolonged periods when CIG determines that changes to the investment portfolio are neither necessary, nor prudent, in which case, changes will not be made. **Please note:** Investment management clients remain subject to the fees described in Item 5 below, even during times of portfolio inactivity.

Capital Insights Group of WNY, LLC. treats cash, and cash equivalents (money market funds, etc.) as an asset class and, as such, is included in the assets under management for purposes of calculating CIG’s investment management fees described in Item 5 below, unless otherwise determined in-advance. Typically, these positions are a modest component of the overall portfolio; however, certain perceived or anticipated market conditions/events may influence CIG to make a strategic decision to substantially increase the holdings of cash, and cash equivalents, inside the investment portfolio (for defensive purposes). **Please note:** During such scenarios, depending on current yields (at that point in time), CIG’s investment management fees described in Item 5 below could exceed the interest rate paid on the client’s cash, and cash equivalent, holdings. Furthermore, the portfolio could miss out on an opportunity for a period of higher growth during a subsequent market advance (ie. before the portfolio were to transition back into risk assets). It is for these reasons that such maneuvering would likely be a rare occurrence and there is no guarantee that such conditions/events will occur.

We rely upon data feeds from the custodian of the client’s account to calculate the total value of the average daily balance of the assets held in the account during the preceding period. We download this value directly from the custodian and the reported value is used as the basis for the calculation of the investment management fee. Capital Insights Group of WNY, LLC. does not independently value client assets. Any assets that do not have a readily ascertainable market value, as reported by a custodian, shall be discussed in advance and an appropriate valuation method agreed upon.

Our fees do not include brokerage commissions, transaction fees, or other related costs and expenses incurred in connection with providing investment advisory services. Client accounts will incur brokerage and other transaction costs separately from our investment management fee. Further information on brokerage transactions can be found in “**Item 12: Brokerage Practices**” beginning on page 14.

No-Load and Load-Waived Mutual Funds, Index Funds and Exchange-Traded Funds

Mutual funds and exchange-traded funds (ETFs) typically charge their shareholders various fees and expenses associated with the operation of the fund. These fees will generally include a management fee, shareholder servicing, and other fund expenses, and sometimes a distribution fee. These fees and expenses are disclosed in the fund’s prospectus which is available from the fund sponsor, or can be provided by Capital Insights Group of WNY, LLC. upon request.

Consequently, investments in mutual funds or exchange-traded funds (ETFs) held inside portfolios managed by Capital Insights Group of WNY, LLC. are subject to two separate levels of fees and expenses – those charged by the fund sponsor (fund-level, internal expenses), and those charged by Capital Insights Group of WNY, LLC. (account-level, investment management fees). We exclusively recommend “no-load” or load-waived mutual funds, which do not charge a commission or sales charge because the shares are distributed directly by the investment company, instead of going through a secondary party.

Variable Annuities

We may provide investment advice with respect to variable annuities owned by clients. Variable annuities are highly complex financial products offered by insurance companies. Variable annuities may have minimum holding period requirements in order to avoid substantial surrender charges. The applicable terms, conditions, surrender charges, and other expenses are disclosed in the variable annuity’s prospectus. Investments in variable annuity contracts are subject to both general market risk and the insurance company’s credit risk. These and other risks are described in the variable annuities’ prospectuses. Variable annuities are regulated under both securities and insurance laws, and related rules and regulations. Variable annuities offer benefits and features which may or may not be a good fit for certain clients, depending on individual circumstances. Insurance products, including variable annuities, may involve a commission paid to the insurance agent connected to the sale of the product. **Capital Insights Group of WNY, LLC. and its representatives do not receive any commissions tied to the sale of variable annuities;** however, Capital Insights Group of WNY, LLC. may be contracted to review the terms of variable annuity contracts (via a financial planning agreement), or to provide investment management services related to funds held inside of a variable annuity contract (via an investment management agreement).

Similar to mutual funds and exchange traded funds (ETFs), insurance companies offering variable annuities impose a variety of fees and charges against the assets invested in the separate accounts within the product. As noted above, this means that there are typically two layers of fees paid – those charged by the insurance company, and those charged by Capital Insights Group of WNY, LLC., if we are hired to provide advisory services related to the variable annuity assets.

Direct Billing to Custodians

Unless otherwise agreed to by us, in writing, in advance, clients authorize us, by virtue of the *Investment Advisory Agreement*, to bill our investment management fees to the custodian of their account, and clients grant the custodian permission to directly debit our investment management fees from the account. If clients provide us such authorization, they will receive periodic statements from the custodian showing each fee deduction from the account. Clients may withdraw this direct billing authorization at any time by notifying us, or the custodian, in writing.

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

We do not charge any performance-based fees (fees that are based on a share of capital gains on or capital appreciation of the client's financial assets).

Item 7: Types of Clients

We offer financial planning and investment management services to individuals, families, small businesses, trusts, estates, and charitable organizations.

There are no strict minimum asset-, income-, or account size- requirements to become a financial planning or investment management client of Capital Insights Group of WNY, LLC, although we typically work with clients who have amassed \$250,000+ in investable assets.

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

Methods of Analysis

Capital Insights Group of WNY, LLC. utilizes fundamental-, qualitative-, and quantitative-analysis measures to develop and implement portfolio management techniques for all assets under our management.

We obtain the aforementioned information from a number of sources, both public and by purchase or subscription. These include financial newspapers, magazines, and newsletters; research materials prepared by third-party organizations; corporate rating services; annual reports, prospectuses, and filings with the SEC; company press releases; charting tools; and

other resources. We believe these sources of information to be reliable and regularly depend on these resources for making our investment decisions; however, we are not responsible for the accuracy or completeness of this information.

Investment Strategies

Capital Insights Group of WNY, LLC. may utilize the following investment strategies when providing investment management services, depending on prevailing market conditions and perceived levels of risk.

- Passive strategies such as indexing, buy-and-hold investing, or dividend reinvestment plans.
- Active strategies such as value filtering, cash flow analysis, or momentum trading.
- Portfolio optimization techniques which seek to maximize the expected return of a portfolio, for given amount of risk, through asset and strategy allocations, based on statistical analysis of historical market data.

Risk of Loss (and Other Types of Investment Risks)

Investing in securities involves risk of loss that clients should be prepared to bear. Different types of investments, and different investment strategies, involve varying degrees of risk. Investment strategies, portfolio diversification techniques, and sound financial planning can help reduce certain risks, but it is impossible to avoid all forms of investment and inflation risks. For example, clients may choose to not invest the portion of their money that they expect to need in the short-term - thereby avoiding *investment risk*, but retaining *inflation risk* (potential loss of purchasing power) on of those assets. **Please note:** It should not be assumed that the future performance of any particular investment or strategy will be profitable, including those utilized by Capital Insights Group of WNY, LLC.

Systematic risks, also known as market risks, pertain to the overall economy or securities markets, and affect all companies. Some of the most common systematic risks include:

- **Interest-rate risk:** Fluctuations in interest rates may impact prices of existing investments. For example, when interest rates rise, yields on existing bonds become less favorable, typically causing a decline in their market value.
- **Reinvestment risk:** Risk that arises when investment proceeds are received in the future and may have to be reinvested at a potentially lower rate of return. This primarily relates to fixed income securities. For example, when interest rates decline, proceeds received from the fixed income security that are subsequently reinvested, may receive a lower yield (interest rate) than the yield received on the original fixed income security.
- **Inflation risk:** Risk of reduced purchasing power due to an increase in the cost of goods and services relative to the base currency. For example, \$1 in 1910 could purchase more gasoline than \$1 in 2010.
- **Currency risk:** Risk that an investor may experience a negative return when investing in

securities denominated in a foreign currency, due to changes in the exchange rate between currencies. For example, assume a U.S. investor is making an investment in a mutual fund which invests in the shares of stock denominated in British pounds. If the exchange rate when the investment is made is \$1 (U.S.) = 0.53 British pounds, a \$1,000 investment would equal 530 British pounds ($\$1,000 \times 0.53 \text{ pounds} = 530 \text{ pounds}$) which is then used to purchase the shares of stock denominated in British pounds. If the exchange rate changes to \$1 (U.S.) = 0.65 British pounds, and the investment is then liquidated for the same price paid at purchase, the resulting proceeds would only return \$815 ($530 \text{ pounds} / 0.65 \text{ pounds per U.S. dollar} = \815) of the original \$1,000 investment.

- Liquidity risk: Risk of not being able to buy or sell investments quickly, and for a price that is close to the true underlying value of the asset. Generally, an asset is more liquid if there are many investors interested in a standardized product. For example, U.S. Treasury Bills are highly liquid, while investments in real estate are illiquid.
- Sociopolitical risk: Potential for instability or unrest in one or more regions of the world which may negatively impact global investment markets.

Systematic risks cannot be eliminated, but constructing a portfolio that includes investments that react differently to a given set of factors can help mitigate the impact of such risks. This is known as asset allocation.

Nonsystematic risks, in contrast, affect smaller segments of the financial markets and may only impact an individual product, company, or industry sector. Some of the most common nonsystematic risks include:

- Management risk: Also known as company risk. Risk that poor decisions on behalf of a company's management team, or some unforeseen external developments, can negatively impact the value of investments made in that company. Potential scandals or breaking news stories are often impossible to predict, despite the best efforts or due diligence performed by investors.
- Financial risk: Excessive borrowing on behalf of a business which can jeopardize the company's ability to generate a profit, or even to remain viable, especially in times of financial stress. This can result in the company going bankrupt or their issued stocks and bonds suffering a severe decline in market value.
- Credit risk: Also known as default risk. This is similar to financial risk; however, it is specific to bonds and other debt obligations of an issuing company. It is the risk that the company will be unable to meet their required debt payments as scheduled.

Nonsystematic risks can be reduced through diversification and the limiting of portfolio exposure to any one specific product, company, or industry sector.

Investing in securities **always** involves the risk of loss. Capital Insights Group of WNY, LLC. utilizes investment strategies and portfolio diversification techniques designed to reduce or avoid certain risks, but cannot guarantee the outcome in any way, as financial and investment markets are inherently unpredictable by nature.

Item 9: Disciplinary Information

As a registered investment adviser, we are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's, or prospective client's, evaluation of our advisory business, or the integrity of our management. Capital Insights Group of WNY, LLC. has not been the subject of any legal or disciplinary events, nor has any of its representatives.

Item 10: Other Financial Industry Activities and Affiliations

As a registered investment adviser, we must inform you about our business activities, other than giving investment advice, and disclose any arrangements with related persons that are material to you or our advisory business.

We have established relationships with accountants and attorneys that we believe benefit our clients, but we do not receive referral fees or any other compensation in connection with making such referrals, and clients are welcome to use any accountant or attorney of their choosing.

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

We have adopted a Code of Ethics describing the standards of business conduct that we expect of our officers, directors, employees, and advisory representatives. Our Code describes reporting requirements with which our representatives must comply, and is designed to protect our clients and our reputation by deterring misconduct, guarding against violations of the securities laws, and by establishing procedures to ensure that our representatives conduct themselves ethically at all times.

Capital Insights Group of WNY, LLC. and our representatives may buy or sell securities for their own accounts, also known as proprietary accounts, which we recommend to our clients, as part of an aggregated order for those same securities for client accounts. In aggregated orders, all orders are filled as part of the trade, so both our proprietary accounts and the client accounts receive identical prices. This mitigates any conflict of interest, and prevents the proprietary accounts from benefiting from transactions placed on behalf of client accounts. However, if we are not participating in such an aggregated order, then we may not purchase or sell for our own

proprietary accounts those same securities purchased or sold on our client's behalf for three trading days before or after the dates of the client purchases or sales. This trading restriction does not apply to orders for open-ended mutual fund shares, direct obligations of the U.S. government, or other securities where the market's bid/ask price would not be affected.

You may request a copy of our Code by contacting Christopher R. Cinelli, CFP®, our President and Chief Compliance Officer, at (716) 309-4109.

Item 12: Brokerage Practices

Brokerage & Soft Dollars

Capital Insights Group of WNY, LLC. does not have any affiliation with product sales firms. Any custodial recommendations made to clients are based on their needs and circumstances. We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, most advantageous when compared with other available providers and their services.

We consider a wide range of factors, including the integrity and financial responsibility of the firm; capability to execute, clear, and settle trades (buy and sell securities for your account) itself or to facilitate such services; capability to facilitate timely transfers and payments to and from accounts; availability of investment research and tools that assist us in making investment decisions; as well as seeking the best execution of orders at reasonable commission rates. We do not receive fees or commissions from any such arrangement, and we do not enter into soft dollar compensation agreements.

Capital Insights Group of WNY, LLC. does not maintain custody of client assets on which we advise, although we may be deemed to have custody of assets if clients give us authority to withdraw advisory fees from their account (see Item 15—Custody, below). Client assets must be maintained in an account at a “qualified custodian,” generally a broker-dealer or bank. We recommend that some of our clients use TD Ameritrade Institutional, Shareholders Service Group (SSG), Orion Portfolio Solutions, or Betterment Securities, as the qualified custodian. We are an independently owned and operated firm and are not affiliated with any custodian, including those listed above.

Betterment Securities does not charge separately for custody/brokerage services, but is compensated as part of the Betterment for Advisors (defined below) platform fee, which is charged for a suite of platform services, including custody, brokerage, and sub-advisory services provided by Betterment and access to the Betterment for Advisors platform. The platform fee is an asset-based fee charged as a percentage of assets in the Betterment account. Clients utilizing the Betterment for Advisors platform may pay a higher aggregate fee than if

the investment management, brokerage and other platform services are purchased separately. Nonetheless, for those clients participating in the Betterment for Advisors platform, we have determined that having Betterment Securities execute trades is consistent with our duty to seek “best execution” of trades. Best execution means the most favorable terms for a transaction based on all relevant factors.

Our custodial providers: TD Ameritrade Institutional, Shareholders Service Group (SSG), Orion Portfolio Solutions, and Betterment for Advisors offer us various support services which may not be available to retail customers. Some of those services help us manage or administer our clients’ accounts, while others help us manage and grow our business. These support services are generally available on an unsolicited basis and at no charge to us.

- Services that directly benefit clients - includes access to a globally diversified, low-cost portfolio of ETFs, execution of securities transactions, and custody of client assets. In addition, a series of model portfolios created by third-party providers are also available on these platforms.
- Services that may benefit clients and us - includes products and services designed to assist us in managing and administering client accounts, such as software and technology that may assist with back-office functions, recordkeeping, and client reporting of our clients’ accounts; provide access to client account data (such as duplicate trade confirmations and account statements); and provide pricing and other market data.
- Services that directly benefit us - includes consulting (ie. through webinars) on technology and business needs, as well as access to publications and conferences on practice management and business succession.

The availability of these services benefits us because we do not have to produce or purchase them elsewhere. This could be viewed as a conflict of interest based on the incentive of receiving these services; however, we stand by our fiduciary responsibilities to do what is in the best interests of our clients first and foremost, and believe that the services provided by our custodians meet those standards.

Aggregation of Orders

Capital Insights Group of WNY, LLC. has a trade allocation policy that governs how we handle the aggregation of orders for more than one client’s account. When practical and appropriate, we aggregate orders for securities transactions for more than one client and, in appropriate circumstances, include proprietary accounts. In this way, we strive to treat each client fairly and will not favor one client or account over another. When executed, we allocate

the aggregated order in accordance with policies and procedures intended to achieve fair treatment. We aggregate orders for purposes of administrative efficiency, and, in some transactions, to obtain better execution for the aggregated order than might be achieved by processing each of the transactions separately.

Each account that participates in an aggregated order will generally receive the same share price for the security and transaction type, on a given business day. The transaction costs for participating in an aggregated order depends upon the number of shares allocated to the account and whether the client subscribes to electronic statements and confirmations. As previously stated, there are no transaction costs for no-load and load-waived mutual funds.

Item 13: Review of Accounts

We provide reviews to our *financial planning clients* upon request. We generally recommend reviews be conducted at least annually, but the frequency and scope of financial planning reviews are determined by the client.

We provide reviews to our *investment management clients* upon request, but we strongly recommend portfolio reviews be conducted at least annually. Investment management clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the custodian for the client accounts. Capital Insights Group of WNY, LLC. may also provide a written periodic report summarizing account activity and performance.

Other than the aforementioned periodic reviews, certain events may trigger the need for a client review, such as economic developments, market conditions, or changes in client circumstances. **Please note:** It is the client's responsibility to promptly notify us if there is ever any change in the client's financial situation, life circumstances, or investment objectives which would warrant reviewing, evaluating, or otherwise revising any recommendations made or services offered by Capital Insights Group of WNY, LLC.

Item 14: Client Referrals and Other Compensation

Capital Insights Group of WNY, LLC. does not compensate any party, other than our representatives, for client referrals that we may receive. We receive non-economic benefits from the qualified custodians that we use on a regular basis. These products and services, how they benefit us, and the related conflicts of interest are described in detail on page 14, in **Item 12—Brokerage Practices**. The availability of these products and services is not based on us giving particular investment advice, such as buying particular securities for our clients, so we do not believe this potential conflict of interest hinders our ability to provide unbiased investment management guidance.

Item 15: Custody

All accounts are held by an independent Custodian selected by the client. With the exception of CIG's ability to debit fees, and the ability to disburse or transfer certain funds to third parties pursuant to Standing Letters of Authorization executed by Clients, CIG does not otherwise have custody of the assets in the account.

CIG has the ability to directly deduct its advisory fees from client's custodial account. When doing so, (1) the Custodian sends at least quarterly statements to the client showing all disbursements for the custodian account, including the amount of our advisory fees, and (2) the client provides written authorization permitting us to be paid directly from their accounts held by the Custodian.

CIG can establish standing letter of instructions or other similar asset transfer authorization arrangements ("SLOA") with qualified custodians in order for us to disburse funds to accounts as specifically designated by the client. With a SLOA a client can typically authorize first-party and/or third-party transfers. If transfers are third-party, CIG complies with each of the requirements and conditions enumerated below:

1. The client provides an instruction to the qualified custodian, in writing, that includes the client's signature, the third party's name, and either the third party's address or the third party's account number at a custodian to which the transfer should be directed.
2. The client authorizes CIG, in writing, either on the qualified custodian's form or separately, to direct transfers to the third party either on a specified schedule or from time to time.
3. The client's qualified custodian performs appropriate verification of the instruction, such as a signature review or other method to verify the client's authorization, and provides a transfer of funds notice to the client promptly after each transfer.
4. The client has the ability to terminate or change the instruction to the client's qualified custodian.
5. CIG has no authority or ability to designate or change the identity of the third party, the address, or any other information about the third party contained in the client's instruction.
6. CIG maintains records showing that the third party is not a related party of CIG or located at the same address as CIG.
7. The client's qualified custodian sends the client, in writing, an initial notice confirming the instruction and an annual notice reconfirming the instruction.

Item 16: Investment Discretion

If clients engage us for investment management services on a discretionary basis, the terms of this arrangement will be outlined in the *Investment Advisory Agreement*. The client will also likely sign an agreement with the custodian which includes a limited power of attorney

granting us authority to direct and implement the investment and reinvestment of the assets within the account and to draw our investment management fees from the account. When we are granted discretionary authority, we have the ability to determine, without obtaining specific consent from the client, the securities to purchase or sell for the portfolio, and the amount of securities to purchase or sell. As described in more detail in “**Item 4: Advisory Business**” beginning on page 3, clients may establish written investment guidelines and restrictions at any time. When exercising the discretionary authority granted to us, we keep in mind the stated investment objectives, written guidelines and restrictions, and risk tolerance of the client.

If we provide nondiscretionary investment management, clients must grant us permission before we execute any trades in the account. As a result, the time and price of execution of trades may or may not be the same as the time and price of execution of trades in identical securities for other clients and accounts. Nondiscretionary transactions are not aggregated with other orders and may therefore result in the nondiscretionary client paying a higher price when buying or receiving a lower price when selling securities than discretionary accounts, whose orders have been aggregated.

Item 17: Voting Client Securities

As a matter of firm policy and practice, we will not be responsible for responding to proxies that are solicited with respect to annual or special meetings of shareholders for securities held in client accounts. All proxy solicitation materials will be sent to the client directly from their custodian.

Item 18: Financial Information

Capital Insights Group of WNY, LLC. does not require or solicit more than \$1,200 in fees, per client, for services to be completed six months or more in advance.

We are unaware of any financial condition that is reasonably likely to impair our ability to meet contractual commitments relating to our discretionary authority over certain client accounts. Capital Insights Group of WNY, LLC. has never been the subject of a bankruptcy proceeding.

Item 19: Requirements for State-Registered Advisers – Not applicable to our firm.