

Capital Developers, LLC

doing business as

Milestone Wealth

500 Red Banks Road, Suite D
Greenville, NC 27858

Tel: (252) 756-7005

Fax: (252) 756-7064

www.milestonewealthusa.com

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FORM ADV PART 2A BROCHURE

This brochure provides information about the qualifications and business practices of Milestone Wealth. If you have any questions about the contents of this brochure, contact us at (252) 756-7005. 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.

Milestone Wealth is a registered investment adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training. Additional information about Milestone Wealth is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Summary of Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

On, March 6, 2024, we submitted our annual updating amendment for fiscal year ending December 31, 2023. Since our previous annual updating amendment filing submitted to regulators on March 6, 2023, we have had no material changes.

We encourage you to carefully review our full brochure. If you have questions about these updates or if you would like a current copy of our brochure at any time free of charge, please contact us at 500 Red Banks Road, Suite D, Greenville, NC 27858 or (252) 756-7005.

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Item 4 Advisory Business

Description of Firm

Capital Developers, LLC d/b/a Milestone Wealth is a registered investment adviser based in Greenville, North Carolina. We are organized as a limited liability company ("LLC") under the laws of the State of North Carolina. We have been providing investment advisory services since April 2018. We are owned by David R. Hunt.

The following paragraphs describe our services and fees. Refer to the description of each investment advisory service listed below for information on how we tailor our advisory services to your individual needs. As used in this brochure, the words "we," "our," and "us" refer to Milestone Wealth and the words "you," "your," and "client" refer to you as either a client or prospective client of our firm.

Note: We do not provide tax or legal advice or services. You are advised to contact your tax or legal advisers for tax or legal advice and services.

Portfolio Management Services

We offer discretionary portfolio management services. Our investment advice is tailored to meet our clients' needs and investment objectives. If you retain our firm for portfolio management services, we will meet with you to determine your investment objectives, risk tolerance, and other relevant information at the beginning of our advisory relationship. We will use the information we gather to develop a strategy that enables our firm to give you continuous and focused investment advice and/or to make investments on your behalf. As part of our portfolio management services, we may customize an investment portfolio for you according to your risk tolerance and investing objectives. We may also invest your assets according to one or more model portfolios developed by our firm. Once we construct an investment portfolio for you, or select a model portfolio, we will monitor your portfolio's performance on an ongoing basis, and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

If you participate in our discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. Discretionary authority is typically granted by the portfolio management agreement you sign with our firm and the appropriate trading authorization forms. You may limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account) by providing our firm with your restrictions and guidelines in writing.

In limited circumstances and in our sole discretion, we also offer non-discretionary portfolio management services. If you enter into a non-discretionary arrangement with our firm, we must obtain your approval prior to executing any transactions on behalf of your account. You have an unrestricted right to decline to implement any advice provided by our firm on a non-discretionary basis.

As referenced above, where suitable, we may invest your assets according to one or more model portfolios developed by our firm. These models are designed for investors with varying degrees of risk tolerance ranging from a more aggressive investment strategy to a more conservative investment approach. Clients whose assets are invested in model portfolios are unable to set

restrictions on the specific holdings or allocations within the model, nor the types of securities that can be purchased in the model. Nonetheless, clients can impose restrictions on investing in certain securities or types of securities in their account. In such cases, this could prevent a client from investing in certain models that are managed by our firm.

Recommendation or Selection of Sub-Advisers

As part of our advisory services, we may recommend or select one or more third party investment advisers/managers (“sub-advisers”) to manage a portion of or all of your account(s) on a discretionary basis. All recommended/selected sub-advisers must be properly registered or exempt from registration. You will receive relevant disclosures for each sub-adviser recommended or selected. Sub-adviser(s) may use one or more of their model portfolios, programs, or platforms to manage your account. We will regularly monitor the performance of your accounts managed by sub-adviser(s). Where we do not have discretionary authority to hire and fire sub-adviser(s) and/or to reallocate your assets to other sub-advisers/programs, we will make such recommendations for you to do so where we deem such action to be appropriate.

Where we recommend you engage a sub-adviser directly, you will be required to sign a separate agreement with such sub-adviser. Please consult with the recommended sub-adviser regarding their policies on imposing restrictions on investments in particular securities or certain types of securities.

Sub-advisers charge separate fees in addition to our advisory fees. Typically, where we have discretion to hire and fire sub-adviser(s) on your behalf any fees payable to sub-adviser(s) will be included in the fees you pay to us. Typically, where you engage a sub-adviser directly, the advisory fee you pay to the sub-adviser is established and payable in accordance with the disclosure brochure provided by each sub-adviser and the agreement you sign with the sub-adviser. These fees may or may not be negotiable. In any case, the combined total fee you pay to the sub-adviser and to us will not exceed 2.0% of the assets under management annually. Lower fees may be available from firms who do not utilize or recommend the services of sub-advisers.

Although we receive no additional compensation directly or indirectly from the sub-advisers for utilizing or recommending their services, they, the account custodian, or we will calculate and/or deduct the advisory fees from the client’s account held at the qualified custodian upon client written consent.

You and/or we can terminate the advisory relationship with the sub-adviser according to the terms of the advisory agreement with the sub-adviser and/or program/platform sponsor. If you are required to execute a separate advisory agreement with the sub-adviser directly, you should review each sub-adviser’s advisory agreement and disclosure brochure(s) for specific information on your relationship with the sub-adviser and how you can terminate your advisory agreement and/or receive a refund, if applicable.

Financial Planning Services

We offer financial planning services which typically involve providing a variety of advisory services to clients regarding the management of their financial resources based upon an analysis of their individual needs.

Our Broad-based financial planning provides an overall view of the client's financial picture and generally includes an assessment of your risk tolerance, time horizon, asset allocation, diversification, analysis of concentrated equity holdings, and preparing a written client investment plan/report addressing one or more of the following topics, or others, as agreed upon:

- Income Analysis
- Budgeting and Cash Flow Controls
- Investment Planning
- Stock Options Planning
- Restricted Stock Analysis
- Employee Benefits Analysis
- Business Retirement Plan Needs Analysis
- Business Succession Planning
- Business/Key Man Insurance Review
- Long Term Care Plan Sponsorship Review
- Disability Income Protection Analysis
- Non-Qualified Plan(s) Deferred Compensation Review
- Education Funding Analysis
- Retirement Planning
- Retirement Savings Analysis
- Retirement Income Analysis
- Debt Management Review
- Life Insurance Review/Need Analysis
- Disability Insurance Review/Need Analysis
- Long Term Care Insurance Review/Need Analysis
- Estate Planning Review
- Charitable Giving Strategy Review
- Tax Planning
- Other Considerations

If you retain our firm for financial planning services, we will meet with you to gather information about your financial circumstances and objectives. We may also use financial planning software to determine your current financial position and to define and quantify your long-term goals and objectives. Once we specify those long-term objectives (both financial and non-financial), we will develop shorter-term, targeted objectives. Once we review and analyze the information you provide to our firm and the data derived from our financial planning software, we will deliver a written plan to you, designed to help you achieve your stated financial goals and objectives.

Financial plans are based on the financial information you provide to us prior to the time we present the plan to you.

You are under no obligation to act on our financial planning recommendations. Should you choose to act on any of our recommendations, you are not obligated to implement the financial plan through any of our other investment advisory services. Moreover, you can act on our recommendations by placing securities transactions with any brokerage firm you choose.

Consulting Services

We also offer financial consulting services that primarily involve advising clients on specific financial-related topics. Written reports will not be provided.

One-Time Consulting Services will include advice based on information you provide to us and may include recommendations regarding one or more of the following topics, or others, as agreed upon:

- Income Analysis/Cash Flow/Budget Analysis
- Investment Analysis/Asset Allocation
- Education Needs Analysis/Planning
- Retirement Needs Analysis/Planning
- Retirement Plan Review
- Life Insurance Review
- Disability Insurance Review including Policy Analysis
- Estate Analysis/Estate Planning
- Charitable Giving Analysis
- Employee Benefit Analysis
- Investment Counseling

Ongoing Consulting Services will include advice based on information you provide to us and may include recommendations regarding one or more of the following topic, or others, as agreed upon:

- Portfolio Monitoring
- Group Retirement Enrollment/Education Meetings

Ongoing consulting services will include meeting or discussing with you from time to time as needed or requested by you.

Wrap Fee Programs

We do not participate in any wrap fee program.

Types of Investments

We primarily offer advice on mutual funds and exchange traded funds (ETFs). However, we may also advise you on various types of investments based on your stated goals and objectives. Additionally, we may provide advice on any type of investment held in your portfolio at the inception of our advisory relationship. Refer to the *Methods of Analysis, Investment Strategies and Risk of Loss* below for additional disclosures on this topic.

Assets Under Management

As of January 16, 2024, we had approximately \$159,929,222 in client assets under management on a discretionary basis, and approximately \$2,920,653 in client assets on a non-discretionary basis.

Item 5 Fees and Compensation

Portfolio Management Fees

Our fee for portfolio management services is based on a percentage of the assets in your account in accordance with the breakpoints set forth in the following annual fee schedule:

**Annual Fee Schedule
Portfolio Management Services**

Assets Under Management	Annual Fee
\$0 - \$500,000	1.50%
\$500,001 - \$1,000,000	1.25%
Over \$1,000,001	1.00%

Our fee is negotiable depending on the scope and complexity of services rendered, but will not exceed 1.50%. Our annual portfolio management fee is billed and payable, monthly in advance, based on the balance at start of the billing period. In limited circumstances, and at our discretion, we may negotiate other payment arrangements, such a billing quarterly, rather than monthly, in advance for certain managed accounts. Payment arrangements, as agreed upon with the client, will be set forth clearly in the client agreement with us.

If the portfolio management agreement is executed at any time other than the first day of a calendar month, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the month for which you are a client. Fees will be adjusted for any deposits or withdrawals in excess of \$100,000 during the applicable billing period.

At our discretion, we may combine the account values of family members living in the same household to determine the applicable advisory fee. For example, we may combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts. Combining account values may increase the asset total, which may result in your paying a reduced advisory fee based on the available breakpoints in our fee schedule stated above.

We will deduct our fee directly from your account through the qualified custodian holding your funds and securities. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by the qualified custodian.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts disbursed from your account including the amount of the advisory fee paid directly to our firm.

We encourage you to carefully review the statement(s) you receive from the qualified custodian for accuracy, since the qualified custodian does not verify the calculation of the fee. If you find any inconsistent information on the statement(s) you receive from the qualified custodian call our main office number located on the cover page of this brochure.

Either party may terminate the management agreement giving prior written notice of termination to the other. Upon termination, fees will be prorated as of the effective date of termination. You will incur a pro rata charge for services rendered prior to the termination of the portfolio management agreement, which means you will incur advisory fees only in proportion to the number of days in the month for which you are a client. If you have pre-paid advisory fees that we have not yet earned, you will receive a prorated refund of those fees.

Financial Planning Fees

We charge a fixed fee for financial planning services. The fee is negotiable depending upon the complexity and scope of the plan, your financial situation, and your objectives. Client shall pay 50% percent of the estimated fee upon executing the financial planning agreement. The remaining balance is due as invoiced by Adviser. We do not require you to pay fees six or more months in advance and in excess of \$1,200. Should the engagement last longer than six months between acceptance of financial planning agreement and delivery of the financial plan, any prepaid unearned fees will be promptly returned to you less a pro rata charge for bona fide financial planning services rendered to date.

The agreement for financial planning services automatically terminates upon completion of the services. Otherwise, either party may terminate the agreement by providing prior written notice of termination to the other. Upon termination, fees will be prorated as of the effective date of termination and you will be responsible for a prorated fee based on services performed prior to termination of the financial planning agreement. If you have pre-paid financial planning fees that we have not yet earned, you will receive a prorated refund of those fees..

Consulting Fees

We charge either a fixed fee or a percentage of the assets under our advisement for consulting services, as set forth in the fee schedules below.

Fixed Fees: Our fixed fees are negotiable depending on the scope and complexity of services rendered. Depending on the nature of the engagement, whether on-going or a one-time engagement to terminate upon completion of the services, client shall either pay 50% percent of the estimated fee upon executing the financial consulting agreement with the remaining balance due upon completion (for a one-time engagement) or client shall pay our fee as invoiced on a quarterly basis.

Asset Based Fees: Asset based fees are based on a percentage of your outside assets on which we are consulting. Our fee is negotiable depending on the scope and complexity of services rendered, but will not exceed 1.50%. Our financial consulting fee is billed and payable, quarterly in advance, based on the balance at start of the billing period. If the financial consulting agreement is executed at any time other than the first day of the calendar quarter, our fees will apply on a pro rata basis, which means that the advisory fee is payable in proportion to the number of days in the quarter for which you are a client. Fees are calculated in accordance with the breakpoints set forth in the annual fee schedule as follows:

Annual Fee Schedule Consulting Services	
Asset Value	Annual Fee
\$0 - \$500,000	1.50%
\$500,001 - \$1,000,000	1.25%
\$1,000,001	1.00%

For asset based fees, you shall pay our fee as invoiced on a quarterly basis or we will deduct our fee directly from an authorized account. We will deduct our advisory fee only when the following requirements are met:

- You provide our firm with written authorization permitting the fees to be paid directly from your account held by a qualified custodian.
- The qualified custodian agrees to send you a statement, at least quarterly, indicating all amounts disbursed from your account including the amount of the advisory fee paid directly to our firm.

We encourage you to carefully review the statement(s) you receive from the qualified custodian for accuracy, since the qualified custodian does not verify the calculation of the fee. If you find any inconsistent information on the statement(s) you receive from the qualified custodian call our main office number located on the cover page of this brochure.

The agreement for one-time consulting services automatically terminates upon completion of the project. Otherwise, either party may terminate the agreement by providing prior written notice of termination to the other. Upon termination, fees will be prorated as of the effective date of termination and you will be responsible for a prorated fee based on services performed prior to termination of the consulting agreement. If you have pre-paid consulting fees that we have not yet earned, you will receive a prorated refund of those fees.

Additional Fees and Expenses

As part of our investment advisory services to you, we may invest, or recommend that you invest, in mutual funds and exchange traded funds. The fees that you pay to our firm for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds or exchange traded funds (described in each fund's prospectus) to their shareholders. These fees will generally include a management fee and other fund expenses. You may also incur transaction charges and/or brokerage fees when purchasing or selling securities. These charges and fees are typically imposed by the broker-dealer or custodian through whom your account transactions are executed. We do not share in any portion of the brokerage fees/transaction charges imposed by the broker-dealer or custodian. To fully understand the total cost you will incur, you should review all the fees charged by mutual funds, exchange traded funds, our firm, and others. For information on our brokerage practices, refer to the *Brokerage Practices* section of this brochure.

Billing on Cash Positions: The firm treats cash and cash equivalents as an asset class. Accordingly, unless otherwise agreed in writing, all cash and cash equivalent positions (e.g., money market funds, etc.) are included as part of assets under management for purposes of calculating the firm's advisory fee. At any specific point in time, depending upon perceived or anticipated market conditions/events (there being no guarantee that such anticipated market conditions/events will occur), the firm may maintain cash and/or cash equivalent positions for defensive, liquidity, or other purposes. While assets are maintained in cash or cash equivalents, such amounts could miss market advances and, depending upon current yields, at any point in time, the firm's advisory fee could exceed the interest paid by the client's cash or cash equivalent positions.

Periods of Portfolio Inactivity: The firm has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, the firm will review client portfolios on an ongoing basis to determine if any changes are necessary based upon various factors, including but not limited to investment performance, fund manager tenure, style drift, account

additions/withdrawals, the client's financial circumstances, and changes in the client's investment objectives. Based upon these and other factors, there may be extended periods of time when the firm determines that changes to a client's portfolio are neither necessary nor prudent. Notwithstanding, unless otherwise agreed in writing, the firm's annual investment advisory fee will continue to apply during these periods, and there can be no assurance that investment decisions made by the firm will be profitable or equal any specific performance level(s).

Compensation for the Sale of Securities or Other Investment Products

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling or recommended insurance products, including insurance products they sell to you or they may share commissions with other licensed agents they recommend to you for insurance services.

Where appropriate, based on your needs and circumstances, we may refer you to other licensed professionals for a review and analysis of your existing insurance products and/or specific insurance needs. If you purchase additional insurance products through such recommended professionals, any insurance commissions paid to those professionals are separate and in addition to our advisory fees. Where we have a referral compensation arrangement with such recommended professionals, our agents who are properly licensed will receive a portion of the insurance commissions paid to other appropriately licensed insurance professionals. These practices present conflicts of interest because persons providing investment advice on behalf of our firm who are also insurance agents have an incentive to recommend insurance products to you directly or through other professionals for the purpose of generating commissions rather than recommending such products or services based solely on your needs. We address this conflict of interest by recommending insurance products only where we, in good faith, believe that it is appropriate for the client's particular needs and circumstances and only after a full presentation of the recommended insurance product to our client. In addition, we explain the insurance underwriting process to our clients to illustrate how the insurer also reviews the client's application and disclosures prior to the issuance of a resulting insuring agreement. Clients to whom the firm offers advisory services are informed that they are under no obligation to purchase insurance services. Clients who do choose to purchase insurance services are under no obligation to use our licensed Associated Persons and may use any insurance brokerage firm and agent they choose.

If you are advised to purchase, cancel, or modify certain types of insurance contracts/policies, you should consult with the agent making the recommendation regarding all potential risks, termination penalties, and other costs associated with purchasing, cancelling, or modifying such insurance contracts/policies.

Advisory fees are not reduced to offset the commissions received. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with or recommended by our firm.

IRA Rollover Considerations

As a normal extension of financial advice, we provide education or recommendations related to the rollover of an employer-sponsored retirement plan. A plan participant leaving employment has several options. Each choice offers advantages and disadvantages, depending on desired

investment options and services, fees and expenses, withdrawal options, required minimum distributions, tax treatment, and the investor's unique financial needs and retirement plans. The complexity of these choices may lead an investor to seek assistance from us.

An Associated Person who recommends an investor roll over plan assets into an Individual Retirement Account ("IRA") may earn an asset-based fee as a result, but no compensation if assets are retained in the plan. Thus, we have an economic incentive to encourage an investor to roll plan assets into an IRA. In most cases, fees and expenses will increase for the investor as a result because the above-described fees will apply to assets rolled over to an IRA, and outlined ongoing services will be extended to these assets.

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

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

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

Item 7 Types of Clients

We offer investment advisory services to individuals, high net worth individuals, and corporations or other businesses entities.

In general, we require a minimum of \$500,000 to open and maintain an advisory account. At our discretion, we reserve the right to waive this minimum account size. For example, we would consider waiving the minimum if you appear to have significant potential for increasing your assets under our management.

We typically combine account values for you and your minor children, joint accounts with your spouse, and other types of related accounts to meet the stated minimum.

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

Our Methods of Analysis and Investment Strategies

Typically, we will use one or more of the following methods of analysis or investment strategies when providing investment advice to you:

Charting Analysis - involves the gathering and processing of price and volume pattern information for a particular security, sector, broad index, or commodity. This price and volume pattern information is analyzed. The resulting pattern and correlation data is used to detect departures from expected

performance and diversification and predict future price movements and trends.

Risk: Our charting analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Technical Analysis - involves studying past price patterns, trends, and interrelationships in the financial markets to assess risk-adjusted performance and predict the direction of both the overall market and specific securities.

Risk: The risk of market timing based on technical analysis is that our analysis may not accurately detect anomalies or predict future price movements. Current prices of securities may reflect all information known about the security and day-to-day changes in market prices of securities may follow random patterns and may not be predictable with any reliable degree of accuracy.

Fundamental Analysis - involves analyzing individual companies and their industry groups, such as a company's financial statements, details regarding the company's product line, the experience and expertise of the company's management, and the outlook for the company and its industry. The resulting data is used to measure the true value of the company's stock compared to the current market value.

Risk: The risk of fundamental analysis is that information obtained may be incorrect and the analysis may not provide an accurate estimate of earnings, which may be the basis for a stock's value. If securities prices adjust rapidly to new information, utilizing fundamental analysis may not result in favorable performance.

Cyclical Analysis - a type of technical analysis that involves evaluating recurring price patterns and trends. Economic/business cycles may not be predictable and may have many fluctuations between long-term expansions and contractions.

Risk: The lengths of economic cycles may be difficult to predict with accuracy and therefore the risk of cyclical analysis is the difficulty in predicting economic trends and consequently the changing value of securities that would be affected by these changing trends.

Modern Portfolio Theory - a theory of investment which attempts to maximize portfolio expected return for a given amount of portfolio risk, or equivalently minimize risk for a given level of expected return, by carefully diversifying the proportions of various assets.

Risk: Market risk is that part of a security's risk that is common to all securities of the same general class (stocks and bonds) and thus cannot be eliminated by diversification.

Long-Term Purchases - securities purchased with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year.

Risk: Using a long-term purchase strategy generally assumes the financial markets will go up in the long-term which may not be the case. There is also the risk that the segment of the market

that you are invested in or perhaps just your particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

Short-Term Purchases - securities purchased with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations.

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

Option Writing - a securities transaction that involves selling an option. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell a particular security at a specified price on or before the expiration date of the option. When an investor sells a call option, he or she must deliver to the buyer a specified number of shares if the buyer exercises the option. When an investor sells a put option, he or she must pay the strike price per share if the buyer exercises the option, and will receive the specified number of shares. The option writer/seller receives a premium (the market price of the option at a particular time) in exchange for writing the option.

Risk: Options are complex investments and can be very risky, especially if the investor does not own the underlying stock. In certain situations, an investor's risk can be unlimited.

Our investment strategies and advice may vary depending upon each client's specific financial situation. As such, we determine investments and allocations based upon your predefined objectives, risk tolerance, time horizon, financial information, liquidity needs, and other various suitability factors. Your restrictions and guidelines may affect the composition of your portfolio.

It is important that you notify us immediately with respect to any material changes to your financial circumstances, including for example, a change in your current or expected income level, tax circumstances, or employment status.

Tax Considerations

Our strategies and investments may have unique and significant tax implications. However, unless we specifically agree otherwise, and in writing, tax efficiency is not our primary consideration in the management of your assets. Regardless of your account size or any other factors, we strongly recommend that you consult with a tax professional regarding the investing of your assets.

Moreover, custodians and broker-dealers must report the cost basis of equities acquired in client accounts on or after January 1, 2011. Your custodian will default to the First-In First-Out ("FIFO") accounting method for calculating the cost basis of your investments. You are responsible for contacting your tax advisor to determine if this accounting method is the right choice for you. If your

tax advisor believes another accounting method is more advantageous, provide written notice to our firm immediately and we will alert your account custodian of your individually selected accounting method. Decisions about cost basis accounting methods will need to be made before trades settle, as the cost basis method cannot be changed after settlement.

Risk of Loss

Investing in securities involves risk of loss that you should be prepared to bear. We do not represent or guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients from losses due to market corrections or declines. We cannot offer any guarantees or promises that your financial goals and objectives will be met. Past performance is in no way an indication of future performance.

Other Risk Considerations

When evaluating risk, financial loss may be viewed differently by each client and may depend on many different risks, each of which may affect the probability and magnitude of any potential losses. The following risks may not be all-inclusive, but should be considered carefully by a prospective client before retaining our services.

Liquidity Risk: The risk of being unable to sell your investment at a fair price at a given time due to high volatility or lack of active liquid markets. You may receive a lower price or it may not be possible to sell the investment at all.

Credit Risk: Credit risk typically applies to debt investments such as corporate, municipal, and sovereign fixed income or bonds. A bond issuing entity can experience a credit event that could impair or erase the value of an issuer's securities held by a client.

Inflation and Interest Rate Risk: Security prices and portfolio returns will likely vary in response to changes in inflation and interest rates. Inflation causes the value of future dollars to be worth less and may reduce the purchasing power of a client's future interest payments and principal. Inflation also generally leads to higher interest rates which may cause the value of many types of fixed income investments to decline.

Horizon and Longevity Risk: The risk that your investment horizon is shortened because of an unforeseen event, for example, the loss of your job. This may force you to sell investments that you were expecting to hold for the long term. If you must sell at a time that the markets are down, you may lose money. Longevity Risk is the risk of outliving your savings. This risk is particularly relevant for people who are retired, or are nearing retirement.

Cybersecurity Risks: Our firm and our service providers are subject to risks associated with a breach in cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs, and data from cyber-attacks and hacking by other computer users, and to avoid the resulting damage and disruption of hardware and software systems, loss or corruption of data, and/or misappropriation of confidential information. In general, cyber-attacks are deliberate; however, unintentional events may have similar effects. Cyber-attacks may cause losses to clients by interfering with the processing of transactions, affecting the ability to calculate net asset value or impeding or sabotaging trading. Clients may also

incur substantial costs as the result of a cybersecurity breach, including those associated with forensic analysis of the origin and scope of the breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, litigation, and the dissemination of confidential and proprietary information. Any such breach could expose our firm to civil liability as well as regulatory inquiry and/or action. In addition, clients could be exposed to additional losses as a result of unauthorized use of their personal information. While our firm has established a business continuity plan and systems designed to prevent cyber-attacks, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Similar types of cyber security risks are also present for issuers of securities, investment companies and other investment advisers in which we invest, which could result in material adverse consequences for such entities and may cause a client's investment in such entities to lose value.

Pandemic Risk: Large-scale outbreaks of infectious disease can greatly increase morbidity and mortality over a wide geographic area, crossing international boundaries, and causing significant economic, social, and political disruption. It is difficult to predict the long-term impact of such events because they are dependent on a variety of factors including the global response of regulators and governments to address and mitigate the worldwide effects of such events. Workforce reductions, travel restrictions, governmental responses and policies and macroeconomic factors could negatively impact investment returns.

Recommendation of Particular Types of Securities

We primarily recommend Mutual funds, and ETFs. However, we may advise on other types of investments as appropriate for you since each client has different needs and different tolerance for risk. Each type of security has its own unique set of risks associated with it and it would not be possible to list here all of the specific risks of every type of investment. Even within the same type of investment, risks can vary widely. However, in very general terms, the higher the anticipated return of an investment, the higher the risk of loss associated with the investment.

Mutual Funds and Exchange Traded Funds: Mutual funds and exchange traded funds ("ETF") are professionally managed collective investment systems that pool money from many investors and invest in stocks, bonds, short-term money market instruments, other mutual funds, other securities, or any combination thereof. The fund will have a manager that trades the fund's investments in accordance with the fund's investment objective. While mutual funds and ETFs generally provide diversification, risks can be significantly increased if the fund is concentrated in a particular sector of the market, primarily invests in small cap or speculative companies, uses leverage (i.e., borrows money) to a significant degree, or concentrates in a particular type of security (i.e., equities) rather than balancing the fund with different types of securities. ETFs differ from mutual funds since they can be bought and sold throughout the day like stock and their price can fluctuate throughout the day. The returns on mutual funds and ETFs can be reduced by the costs to manage the funds. Also, while some mutual funds are "no load" and charge no fee to buy into, or sell out of, the fund, other types of mutual funds charge such fees which can also reduce returns. Mutual funds can also be "closed end" or "open end." So-called "open end" mutual funds continue to allow in new investors indefinitely whereas "closed end" funds have a fixed number of shares to sell which can limit their availability to new investors.

ETFs may have tracking error risks. For example, the ETF investment adviser may not be able to

cause the ETF's performance to match that of the Underlying Index or other benchmark, which may negatively affect the ETF's performance. In addition, for leveraged and inverse ETFs that seek to track the performance of their Underlying Indices or benchmarks on a daily basis, mathematical compounding may prevent the ETF from correlating with performance of its benchmark. In addition, an ETF may not have investment exposure to all of the securities included in its Underlying Index, or its weighting of investment exposure to such securities may vary from that of the Underlying Index. Some ETFs may invest in securities or financial instruments that are not included in the Underlying Index, but which are expected to yield similar performance.

Money Market Funds: A money market fund is technically a security. The fund managers attempt to keep the share price constant at \$1/share. However, there is no guarantee that the share price will stay at \$1/share. If the share price goes down, you can lose some or your entire principal. The U.S. Securities and Exchange Commission ("SEC") notes that "While investor losses in money market funds have been rare, they are possible." In return for this risk, you should earn a greater return on your cash than you would expect from a Federal Deposit Insurance Corporation ("FDIC") insured savings account (money market funds are not FDIC insured). Next, money market fund rates are variable. In other words, you do not know how much you will earn on your investment next month. The rate could go up or go down. If it goes up, that may result in a positive outcome. However, if it goes down and you earn less than you expected to earn, you may end up needing more cash. A final risk you are taking with money market funds has to do with inflation. Because money market funds are considered to be safer than other investments like stocks, long-term average returns on money market funds tends to be less than long term average returns on riskier investments. Over long periods of time, inflation can eat away at your returns.

Certificates of Deposit: Certificates of deposit are generally the safest type of investment since they are insured by the federal government up to a certain amount. However, because the returns are generally very low, it is possible for inflation to outpace the return. Likewise, U.S. government securities are backed by the full faith and credit of the U.S. government but it is also possible for the rate of inflation to exceed the returns.

Municipal Securities: Municipal securities, while generally thought of as safe, can have significant risks associated with them including, but not limited to: the credit worthiness of the governmental entity that issues the bond; the stability of the revenue stream that is used to pay the interest to the bondholders; when the bond is due to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same amount of interest or yield to maturity.

Bonds: Corporate debt securities (or "bonds") are typically safer investments than equity securities, but their risk can also vary widely based on: the financial health of the issuer; the risk that the issuer might default; when the bond is set to mature; and, whether or not the bond can be "called" prior to maturity. When a bond is called, it may not be possible to replace it with a bond of equal character paying the same rate of return.

Stocks: There are numerous ways of measuring the risk of equity securities (also known simply as "equities" or "stock"). In very broad terms, the value of a stock depends on the financial health of the company issuing it. However, stock prices can be affected by many other factors including, but not

limited to the class of stock (for example, preferred or common); the health of the market sector of the issuing company; and, the overall health of the economy. In general, larger, better established companies ("large cap") tend to be safer than smaller start-up companies ("small cap") are but the mere size of an issuer is not, by itself, an indicator of the safety of the investment.

Commercial Paper: Commercial paper ("CP") is, in most cases, an unsecured promissory note that is issued with a maturity of 270 days or less. Being unsecured the risk to the investor is that the issuer may default. There is a less risk in asset based commercial paper (ABCP). The difference between ABCP and CP is that instead of being an unsecured promissory note representing an obligation of the issuing company, ABCP is backed by securities. Therefore, the perceived quality of the ABCP depends on the underlying securities.

Variable Annuities: A variable annuity is a form of insurance where the seller or issuer (typically an insurance company) makes a series of future payments to a buyer (annuitant) in exchange for the immediate payment of a lump sum (single-payment annuity) or a series of regular payments (regular-payment annuity). The payment stream from the issuer to the annuitant has an unknown duration based principally upon the date of death of the annuitant. At this point, the contract will terminate and the remainder of the funds accumulated forfeited unless there are other annuitants or beneficiaries in the contract. Annuities can be purchased to provide an income during retirement. Unlike fixed annuities that make payments in fixed amounts or in amounts that increase by a fixed percentage, variable annuities, pay amounts that vary according to the performance of a specified set of investments, typically bond and equity mutual funds. Many variable annuities typically impose asset-based sales charges or surrender charges for withdrawals within a specified period. Variable annuities may impose a variety of fees and expenses, in addition to sales and surrender charges, such as mortality and expense risk charges; administrative fees; underlying fund expenses; and charges for special features, all of which can reduce the return. Earnings in a variable annuity do not provide all the tax advantages of 401(k)s and other before-tax retirement plans. Once the investor starts withdrawing money from their variable annuity, earnings are taxed at the ordinary income rate, rather than at the lower capital gains rates applied to other non-tax-deferred vehicles which are held for more than one year. Proceeds of most variable annuities do not receive a "step-up" in cost basis when the owner dies like stocks, bonds, and mutual funds do. Some variable annuities offer "bonus credits." These are usually not free. In order to fund them, insurance companies typically impose mortality and expense charges and surrender charge periods. In an exchange of an existing annuity for a new annuity (so-called 1035 exchanges), the new variable annuity may have a lower contract value and a smaller death benefit; may impose new surrender charges or increase the period of time for which the surrender charge applies; may have higher annual fees; and provide another commission for the broker.

Real Estate Investment Trust: A real estate investment trust ("REIT") is a corporate entity which invests in real estate and/or engages in real estate financing. A REIT reduces or eliminates corporate income taxes. REITs can be publicly or privately held. Public REITs may be listed on public stock exchanges. REITs are required to declare 90% of their taxable income as dividends, but they actually pay dividends out of funds from operations, so cash flow has to be strong or the REIT must either dip into reserves, borrow to pay dividends, or distribute them in stock (which causes dilution). After 2012, the IRS stopped permitting stock dividends. Most REITs must refinance or erase large balloon debts periodically. The credit markets are no longer frozen, but banks are demanding, and getting, harsher

terms to re-extend REIT debt. Some REITs may be forced to make secondary stock offerings to repay debt, which will lead to additional dilution of the stockholders. Fluctuations in the real estate market can affect the REIT's value and dividends.

Non-traded REITs are not publicly traded, which limits the information available on the REIT. Additionally, non-traded REITs lack liquidity and in many instances, there is a minimum period of time that you must hold the REIT before it can be sold. There may also be additional fees associated with selling the REIT. Also, in the case of a premature liquidation or redemption, your investment might realize a loss to the net asset value ("NAV"). Meaning, that the realized NAV of the fund will not be able to be obtained because of the liquidation or redemption. There might be also a premature liquidity penalty fee that the sponsor may charge. Non-traded REITs should always be seen as long term commitments.

Options Contracts: Options are complex securities that involve risks and are not suitable for everyone. Option trading can be speculative in nature and carry substantial risk of loss. It is generally recommended that you only invest in options with risk capital. An option is a contract that gives the buyer the right, but not the obligation, to buy or sell an underlying asset at a specific price on or before a certain date (the "expiration date"). The two types of options are calls and puts:

- A call gives the holder the right to buy an asset at a certain price within a specific period of time. Calls are similar to having a long position on a stock. Buyers of calls hope that the stock will 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. Puts are very similar to having a short position on a stock. Buyers of puts hope that the price of the stock will fall before the option expires.

Selling options is more complicated and can be even riskier.

The option trading risks pertaining to options buyers are:

- Risk of losing your entire investment in a relatively short period of time.
- The risk of losing your entire investment increases if, as expiration nears, the stock is below the strike price of the call (for a call option) or if the stock is higher than the strike price of the put (for a put option).
- European style options which do not have secondary markets on which to sell the options prior to expiration can only realize its value upon expiration.
- Specific exercise provisions of a specific option contract may create risks.
- Regulatory agencies may impose exercise restrictions, which stops you from realizing value.

The option trading risks pertaining to options sellers are:

- Options sold may be exercised at any time before expiration.
- Covered Call traders forgo the right to profit when the underlying stock rises above the strike price of the call options sold and continues to risk a loss due to a decline in the underlying stock.
- Writers of Naked Calls risk unlimited losses if the underlying stock rises.
- Writers of Naked Puts risk unlimited losses if the underlying stock drops.
- Writers of naked positions run margin risks if the position goes into significant losses. Such

risks may include liquidation by the broker.

- Writers of call options could lose more money than a short seller of that stock could on the same rise on that underlying stock. This is an example of how the leverage in options can work against the option trader.
- Writers of Naked Calls are obligated to deliver shares of the underlying stock if those call options are exercised.
- Call options can be exercised outside of market hours such that effective remedy actions cannot be performed by the writer of those options.
- Writers of stock options are obligated under the options that they sold even if a trading market is not available or that they are unable to perform a closing transaction.
- The value of the underlying stock may surge or ditch unexpectedly, leading to automatic exercises.

Other option trading risks are:

- The complexity of some option strategies is a significant risk on its own.
- Option trading exchanges or markets and option contracts themselves are open to changes at all times.
- Options markets have the right to halt the trading of any options, thus preventing investors from realizing value.
- Risk of erroneous reporting of exercise value.
- If an options brokerage firm goes insolvent, investors trading through that firm may be affected.
- Internationally traded options have special risks due to timing across borders.

Risks that are not specific to options trading include market risk, sector risk and individual stock risk. Option trading risks are closely related to stock risks, as stock options are a derivative of stocks.

Structured Products: A structured product, also known as a market-linked product, is generally a pre-packaged investment strategy based on derivatives, such as a single security, a basket of securities, options, indices, commodities, debt issuances, and/or foreign currencies, and to a lesser extent, swaps. Structured products are usually issued by investment banks or affiliates thereof. They have a fixed maturity, and have two components: a note and a derivative. The derivative component is often an option. The note provides for periodic interest payments to the investor at a predetermined rate, and the derivative component provides for the payment at maturity. Some products use the derivative component as a put option written by the investor that gives the buyer of the put option the right to sell to the investor the security or securities at a predetermined price. Other products use the derivative component to provide for a call option written by the investor that gives the buyer of the call option the right to buy the security or securities from the investor at a predetermined price. A feature of some structured products is a "principal guarantee" function, which offers protection of principal if held to maturity. However, these products are not always Federal Deposit Insurance Corporation insured; they may only be insured by the issuer, and thus have the potential for loss of principal in the case of a liquidity crisis, or other solvency problems with the issuing company. Investing in structured products involves a number of risks including but not limited to: fluctuations in the price, level or yield of underlying instruments, interest rates, currency values and credit quality; substantial loss of principal; limits on participation in any appreciation of the underlying instrument; limited liquidity; credit

risk of the issuer; conflicts of interest; and, other events that are difficult to predict.

Structured Notes: Below are some specific risks related to the structured notes recommended by our firm:

- *Complexity:* Structured notes are complex financial instruments. Clients should understand the reference asset(s) or index(es) and determine how the note's payoff structure incorporates such reference asset(s) or index(es) in calculating the note's performance. This payoff calculation may include leverage multiplied by the performance of the reference asset or index, protection from losses should the reference asset or index produce negative returns, and/or fees. Structured notes may have complicated payoff structures that can make it difficult for clients to accurately assess their value, risk, and potential for growth through the term of the structured note. Determining the performance of each note can be complex and this calculation can vary significantly from note to note depending on the structure. Notes can be structured in a wide variety of ways. Payoff structures can be leveraged, inverse, or inverse-leveraged, which may result in larger returns or losses. Clients should carefully read the prospectus for a structured note to fully understand how the payoff on a note will be calculated and discuss these issues with our firm.
- *Market risk.* Some structured notes provide for the repayment of principal at maturity, which is often referred to as "principal protection." This principal protection is subject to the credit risk of the issuing financial institution. Many structured notes do not offer this feature. For structured notes that do not offer principal protection, the performance of the linked asset or index may cause clients to lose some, or all, of their principal. Depending on the nature of the linked asset or index, the market risk of the structured note may include changes in equity or commodity prices, changes in interest rates or foreign exchange rates, and/or market volatility.
- *Issuance price and note value:* The price of a structured note at issuance will likely be higher than the fair value of the structured note on the date of issuance. Issuers now generally disclose an estimated value of the structured note on the cover page of the offering prospectus, allowing investors to gauge the difference between the issuer's estimated value of the note and the issuance price. The estimated value of the notes is likely lower than the issuance price of the note to investors because issuers include the costs for selling, structuring, and/or hedging the exposure on the note in the initial price of their notes. After issuance, structured notes may not be re-sold on a daily basis and thus may be difficult to value given their complexity.
- *Liquidity:* The ability to trade or sell structured notes in a secondary market is often very limited, as structured notes (other than exchange-traded notes known as ETNs) are not listed for trading on securities exchanges. As a result, the only potential buyer for a structured note may be the issuing financial institution's broker-dealer affiliate or the broker-dealer distributor of the structured note. In addition, issuers often specifically disclaim their intention to repurchase or make markets in the notes they issue. Clients should, therefore, be prepared to hold a structured note to its maturity date or risk selling the note at a discount to its value at the time of sale.
- *Credit risk:* Structured notes are unsecured debt obligations of the issuer, meaning that the issuer is obligated to make payments on the notes as promised. These promises, including any principal protection, are only as good as the financial health of the structured note issuer. If the structured note issuer defaults on these obligations, investors may lose some, or all, of the principal amount they invested in the structured notes as well as any other payments that may be due on the structured notes.

Selection or Recommendation of Sub-Advisers

In the event we recommend or select a third-party investment adviser/manager ("sub-adviser") or program to manage all or a portion of your assets, we will not perform quantitative or qualitative analysis of individual securities. Instead, we will advise you on how to allocate your assets among various classes of securities or sub-advisers or programs. As such, we will primarily rely on investment model portfolios and strategies developed by the sub-advisers and their portfolio managers. If there were a significant deviation in characteristics or performance from the stated strategy and/or benchmark, we may replace or recommend replacing a sub-adviser or program. The primary risks associated with investing with a sub-adviser or other third-party program is that while a particular third party may have demonstrated a certain level of success in the past; it may not be able to replicate that success in future markets. In addition, as we do not control the underlying investments in third party model portfolios, there is also a risk that a third party may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. To mitigate this risk, we seek third parties with proven track records that have demonstrated a consistent level of performance and success over time. A third party's past performance is not a guarantee of future results and certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account. Please refer to the third-party investment adviser's advisory agreements, Form ADV Brochure, and associated disclosure documents for details on their specific investment strategies, methods of analysis, and associated risks.

Item 9 Disciplinary Information

We are required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of our advisory business or the integrity of our management. We do not have any required disclosures under this item.

Item 10 Other Financial Industry Activities and Affiliations

Neither we nor any of our management persons or related persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, municipal securities dealer, or government securities dealer or broker.

Neither we nor any of our management persons or related persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

Neither we nor any of our management persons have any relationship or arrangement with, or share common control or ownership with any of the following types of entities:

1. investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or "hedge fund," and offshore fund)
2. banking or thrift institution
3. accountant or accounting firm
4. lawyer or law firm
5. pension consultant
6. real estate broker or dealer
7. sponsor or syndicator of limited partnerships.

For information related to recommended unaffiliated broker-dealers/custodians, please see Items 12 and 14 below in this brochure.

Insurance Activities

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling or recommended insurance products, including insurance products they sell to you or, where permitted, they may share commissions with other licensed agents they recommend to you for insurance services.

Where appropriate, based on your needs and circumstances, where suitable, we may refer you to other licensed professionals for a review and analysis of your existing insurance products and/or specific insurance needs. If you purchase additional insurance products through such recommended professionals, any insurance commissions paid to those professionals are separate and in addition to our advisory fees. Where we have a referral compensation arrangement with such recommended professionals, our agents who are properly licensed will receive a portion of the insurance commissions paid to other appropriately licensed insurance professionals. These practices present conflicts of interest because persons providing investment advice on behalf of our firm who are also insurance agents have an incentive to recommend insurance products to you directly or through other professionals for the purpose of generating commissions rather than recommending such products or services based solely on your needs. Moreover, if you are advised to purchase, cancel, or modify certain types of insurance contracts/policies, you should consult with the agent making the recommendation regarding all potential risks, termination penalties, and other costs associated with purchasing, cancelling, or modifying such insurance contracts/policies.

Advisory fees are not reduced to offset the commissions received. You are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with or recommended by our firm.

Selection or Recommendations of Sub-Advisers

As disclosed above in Items 4 and 8 of this brochure, where suitable, we will select or recommend one or more third party investment advisers/managers ("sub-advisers") to manage all or a portion of your investment portfolio. Please see Items 4 and 8 above in this brochure for additional information regarding this topic.

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

Description of Our Code of Ethics

We strive to comply with applicable laws and regulations governing our practices. Therefore, our Code of Ethics includes guidelines for professional standards of conduct for persons associated with our firm. Our goal is to protect your interests at all times and to demonstrate our commitment to our fiduciary duties of honesty, good faith, and fair dealing with you. All persons associated with our firm are expected to adhere strictly to these guidelines. Persons associated with our firm are also required to report any violations of our Code of Ethics. Additionally, we maintain and enforce written policies

reasonably designed to prevent the misuse or dissemination of material, non-public information about you or your account holdings by persons associated with our firm.

Clients or prospective clients can obtain a copy of our Code of Ethics by contacting us at the telephone number on the cover page of this brochure.

Participation or Interest in Client Transactions

Neither our firm nor any persons associated with our firm has any material financial interest in client transactions beyond the provision of investment advisory services as disclosed in this brochure.

Personal Trading Practices

Our firm or persons associated with our firm may buy or sell the same securities that we recommend to you or securities in which you are already invested. A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To mitigate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Block Trading

Our firm or persons associated with our firm may buy or sell securities for you at the same time we or persons associated with our firm buy or sell such securities for our own account. We may also combine our orders to purchase securities with your orders to purchase securities ("block trading"). Refer to the *Brokerage Practices* section in this brochure for information on our block trading practices.

A conflict of interest exists in such cases because we have the ability to trade ahead of you and potentially receive more favorable prices than you will receive. To eliminate this conflict of interest, it is our policy that neither our firm nor persons associated with our firm shall have priority over your account in the purchase or sale of securities.

Item 12 Brokerage Practices

We recommend the brokerage and custodial services of several unaffiliated, securities broker-dealers, such as Raymond James & Associates, Inc. ("Raymond James"), among others (hereinafter referred to as the "Custodian"). Recommended Custodians are unaffiliated, qualified custodians, and are registered securities broker-dealers or banks; and, are members of the Financial Industry Regulatory Authority and/or the Securities Investor Protection Corporation. We believe that recommended broker-Custodians provide quality execution services for you at competitive prices, but price is not the sole factor we consider in evaluating best execution. In recognition of the value of the services the Custodian provides, you may pay higher commissions and/or trading costs than those that may be available elsewhere.

We seek to recommend a custodian/broker that will hold your assets and execute transactions on terms that are, overall, the most favorable compared to other available providers and their services. We consider various factors, including:

- Capability to buy and sell securities for your account itself or to facilitate such services.
- The likelihood that your trades will be executed.
- Availability of investment research and tools.

- Overall quality of services.
- Competitiveness of price.
- Reputation, financial strength, and stability.
- Existing relationship with our firm and our other clients.

Research and Other Soft Dollar Benefits

We do not have any soft dollar arrangements .

Economic Benefits

As a registered investment adviser, we have access to the institutional platform of your account custodian. As such, we will also have access to research products and services from your account custodian and/or other brokerage firm. Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, we receive from Raymond James (or another broker-dealer/custodian, investment platform, affiliated or unaffiliated investment manager, vendor, unaffiliated product/fund sponsor, or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist our firm to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by our firm may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by our firm in furtherance of our investment advisory business operations.

As indicated above, certain of the support services and/or products received may assist us in managing and administering client accounts. Others do not directly provide such assistance, but rather assist our firm to manage and further develop our business enterprise.

There is no corresponding commitment made by us to Raymond James or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products as a result of the above arrangement.

Additional Benefits

We may receive from various mutual fund families, certain other economic benefits intended to help our firm manage and further develop our business enterprise, marketing and business development. Each payment is made on behalf of our firm directly to third-party vendors. Our firm has no expectation that these Additional Benefits will be offered again; however, we reserve the right to negotiate for these Additional Benefits in the future.

Brokerage for Client Referrals

We do not receive client referrals from broker-dealers in exchange for cash or other compensation, such as brokerage services or research.

Directed Brokerage

We routinely recommend that you direct our firm to execute transactions through broker-dealers/custodians with which we have a business relationship. As such, we may be unable to

achieve the most favorable execution of your transactions and you may pay higher brokerage commissions than you might otherwise pay through another broker-dealer that offers the same types of services. Not all advisers require their clients to direct brokerage.

In limited circumstances, and at our discretion, some clients may instruct our firm to use one or more particular brokers/custodians for the transactions in their accounts. If you choose to direct our firm to use a particular broker, you should understand that this might prevent our firm from aggregating trades with other clients' accounts or from effectively negotiating brokerage commissions on your behalf. This practice may also prevent our firm from obtaining favorable net price and execution. Thus, when directing brokerage business, you should consider whether the commission expenses, execution, clearance, and settlement capabilities that you will obtain through your preferred broker/custodian are adequately favorable in comparison to those that we would otherwise obtain for you.

Block Trades

For certain transactions, we combine multiple orders for shares of the same securities purchased for discretionary advisory accounts we manage, when it is in the best interest of our clients. This practice is commonly referred to as "block trading." We will then distribute a portion of the shares to participating accounts in a fair and equitable manner. Generally, participating accounts will pay a fixed transaction cost, if any, regardless of the number of shares transacted. In certain cases, each participating account pays an average price per share for all transactions and pays a proportionate share of all transaction costs on any given day. In the event an order is only partially filled, the shares will be allocated to participating accounts in a fair and equitable manner, typically on a pro-rata basis. When accounts owned by our firm or persons associated with our firm participate in block trading with your accounts, they will not be given preferential treatment.

We do not block trade for non-discretionary accounts. Accordingly, non-discretionary accounts could pay different costs than discretionary accounts pay. If you enter into non-discretionary arrangements with our firm, we might not be able to buy and sell the same quantities of securities for you and you could pay higher commissions, fees, and/or transaction costs than clients who enter into discretionary arrangements with our firm.

Mutual Fund Share Classes

Mutual funds are sold with different share classes, which carry different cost structures. Each available share class is described in the mutual fund's prospectus. When we purchase, or recommend the purchase of, mutual funds for a client, we select the share class that is deemed to be in the client's best interest, taking into consideration cost, tax implications, and other factors. When the fund is available for purchase at net asset value, we will purchase, or recommend the purchase of, the fund at net asset value. We also review the mutual funds held in accounts that come under our management to determine whether a more beneficial share class is available, considering cost, tax implications, and the impact of contingent deferred sales charges.

Item 13 Review of Accounts

Portfolio Management Account Reviews

David R. Hunt, Managing Member and Chief Compliance Officer, and/or, the investment adviser representative assigned to your account will monitor your accounts on an ongoing basis and will

conduct account reviews at least semi-annually, to ensure the advisory services provided to you are consistent with your investment needs and objectives. Additional reviews may be conducted based on various circumstances, including, but not limited to, contributions and withdrawals, year-end tax planning, market moving events, security specific events, and/or changes in your risk/return objectives.

We will not provide you with regular written reports, but Adviser may provide periodic reports to you upon written request. You will receive trade confirmations and monthly or quarterly statements from your account custodian(s).

Financial Plan Reviews

Financial plans are based on the information you provided to us about your financial situation at the time we present the plan to you. We review the initial financial plan with you. Thereafter, you may engage us for additional reviews and/or updates subject to the then current hourly or fixed fee to be negotiated based on the scope of the requested services and estimated time to complete the review. We recommend you meet with us at least once per year to review and update your financial plan as needed to ensure that your financial plan remains aligned with your then current financial condition, goals, and objectives.

Item 14 Client Referrals and Other Compensation

Client Referrals

We are not directly or indirectly compensated by third parties for client referrals. We do not compensate, directly or indirectly, any person or entity, who is not an Associated Person of our firm, for client referrals.

Insurance-Related Compensation

Persons providing investment advice on behalf of our firm are licensed as independent insurance agents. These persons will earn commission-based compensation for selling or recommended insurance products, including insurance products they sell to you or, where permitted, they may share commissions with other licensed agents they recommend to you for insurance services. Please see Item 5 above (Compensation for the Sale of Securities or Other Investment Products) for additional information regarding insurance compensation.

Custodial Benefits

As described in Item 12 above, we receive economic benefits from our custodial broker dealer in the form of support products and services they make available to us and other independent investment advisors whose clients maintain their accounts at these custodial broker dealers. The availability of custodial products and services is not dependent upon or based on the specific investment advice we provide our clients, such as buying or selling specific securities or specific types of securities for our clients. The products and services provided by the custodial broker dealer, how they benefit us, and the related conflicts of interest are described above (see Item 12 – Brokerage Practices).

Economic Benefits Received from Vendors and Product Sponsors

Occasionally, our firm and our Associated Persons will receive additional compensation from vendors. Compensation could include such items as gifts; an occasional dinner or ticket to a sporting event; reimbursement in connection with educational meetings with an Associated Person, reimbursement

for consulting services, client workshops, or events; or marketing events or advertising initiatives, including services for identifying prospective clients. Receipt of additional economic benefits presents a conflict of interest because our firm and Associated Persons have an incentive to recommend and use vendors based on the additional economic benefits obtained rather than solely on the client's needs. We address this conflict of interest by recommending vendors that we, in good faith, believe are appropriate for the client's particular needs. Clients are under no obligation contractually or otherwise, to use any of the vendors recommended by us.

Item 15 Custody

We do not have physical custody of any of your funds and/or securities. Your funds and securities will be held with an independent bank, broker-dealer, or other qualified custodian. Pursuant to your written authorization, as paying agent for our firm, your independent, qualified custodian will directly debit your account(s) for the payment of our advisory fees. Where the custodian calculates the fee on your behalf, you will receive account statements from the qualified custodian(s) holding your funds and securities at least quarterly. The account statements from your custodian(s) will indicate the amount of our advisory fees deducted from your account(s) each billing period. You should carefully review all account statements for accuracy.

The ability for us to calculate the fee and send an invoice to the custodian(s) with the amount of the fee to be deducted from your account(s) causes our firm to exercise limited custody over your funds and/or securities. Additionally, we may be deemed to have custody in certain situations where we accept standing letters of authorization from clients to transfer assets to third parties as designated per the client's instructions. In all cases, we maintain safeguards in accordance with regulatory requirements and safekeeping guidelines regarding custody of client assets.

Where we calculated the fee, the custodian will not verify the calculation; therefore, you should carefully review the information reflected on each account statement from your account custodian(s) for accuracy. If you have a question regarding your account statement, or if you did not receive a statement from your custodian, contact us immediately at the telephone number on the cover page of this brochure.

Item 16 Investment Discretion

Before we can buy or sell securities on your behalf, you must first sign our discretionary portfolio management agreement and the appropriate trading authorization forms.

If you enter into a discretionary agreement with us, you will grant our firm discretion over the selection and amount of securities to be purchased or sold for your account(s) without obtaining your consent or approval prior to each transaction. However, you can specify investment objectives, guidelines, and/or impose certain conditions or investment parameters for your account(s). For example, you are able to specify that the investment in any particular stock or industry should not exceed specified percentages of the value of the portfolio and/or restrictions or prohibitions of transactions in the securities of a specific industry or security. Refer to the *Advisory Business* section in this brochure for more information on our discretionary management services.

If you enter into non-discretionary arrangements with our firm, we will obtain your approval prior to the execution of any transactions for your account(s). You have an unrestricted right to decline to

implement any advice provided by our firm on a non-discretionary basis.

Item 17 Voting Client Securities

We will not vote proxies on behalf of your advisory accounts. At your request, we may offer you advice regarding corporate actions and the exercise of your proxy voting rights. If you own shares of applicable securities, you are responsible for exercising your right to vote as a shareholder.

In most cases, you will receive proxy materials directly from the account custodian. However, in the event we were to receive any written or electronic proxy materials, we would forward them directly to you by mail, unless you have authorized our firm to contact you by electronic mail, in which case, we would forward any electronic solicitations to vote proxies.

Item 18 Financial Information

Our firm does not have any financial condition or impairment that would prevent us from meeting our contractual commitments to you. We do not take physical custody of client funds or securities, or serve as trustee or signatory for client accounts, and, we do not require the prepayment of more than \$1,200 in fees six or more months in advance. Therefore, we are not required to include a financial statement with this brochure. We have not filed a bankruptcy petition at any time in the past ten years.

Additional Information

Your Privacy

We view protecting your private information as a top priority. Pursuant to applicable privacy requirements, we have instituted policies and procedures to ensure that we keep your personal information private and secure.

We do not disclose any nonpublic personal information about you to any nonaffiliated third parties, except as permitted by law. In the course of servicing your account, we may share some information with our service providers, such as transfer agents, custodians, broker-dealers, accountants, consultants, and attorneys.

We restrict internal access to nonpublic personal information about you to employees, who need that information in order to provide products or services to you. We maintain physical and procedural safeguards that comply with regulatory standards to guard your nonpublic personal information and to ensure our integrity and confidentiality. We will not sell information about you or your accounts to anyone. We do not share your information unless it is required to process a transaction, at your request, or required by law.

You will receive a copy of our privacy notice prior to or at the time you sign an advisory agreement with our firm. Thereafter, we will deliver a copy of the current privacy policy notice to you on an annual basis. Please contact our main office at the telephone number on the cover page of this brochure if you have any questions regarding this policy.

Trade Errors

In the event a trading error occurs in your account, our policy is to restore your account to the position it should have been in had the trading error not occurred. Depending on the circumstances, corrective actions might include canceling the trade, adjusting an allocation, and/or reimbursing the account.

Class Action Lawsuits

We do not determine if securities held by you are the subject of a class action lawsuit or whether you are eligible to participate in class action settlements or litigation nor do we initiate or participate in litigation to recover damages on your behalf for injuries as a result of actions, misconduct, or negligence by issuers of securities held by you.

IRA Rollover Considerations

As part of our investment advisory services to you, where suitable, we may recommend that you withdraw the assets from your employer's retirement plan and roll the assets over to an individual retirement account ("IRA") that we will manage on your behalf. If you elect to roll the assets to an IRA that is subject to our management, we will charge you an asset based fee as set forth in the agreement you executed with our firm. This practice presents a conflict of interest because persons providing investment advice on our behalf have an incentive to recommend a rollover to you for the purpose of generating fee based compensation rather than solely based on your needs. You are under no obligation, contractually or otherwise, to complete the rollover. Moreover, if you do complete the rollover, you are under no obligation to have the assets in an IRA managed by our firm.

Many employers permit former employees to keep their retirement assets in their company plan. Also, current employees can sometimes move assets out of their company plan before they retire or change jobs. In determining whether to complete the rollover to an IRA, and to the extent the following options are available, you should consider the costs and benefits of:

1. Leaving the funds in your employer's (former employer's) plan.
2. Moving the funds to a new employer's retirement plan.
3. Cashing out and taking a taxable distribution from the plan.
4. Rolling the funds into an IRA rollover account.

Each of these options has advantages and disadvantages and before making a change we encourage you to speak with your CPA and/or tax attorney.

If you are considering rolling over your retirement funds to an IRA for us to manage here are a few points to consider before you do so:

1. Determine whether the investment options in your employer's retirement plan address your needs or whether you might want to consider other types of investments.
 - a. Employer retirement plans generally have a more limited investment menu than IRAs.
 - b. Employer retirement plans may have unique investment options not available to the public such as employer securities, or previously closed funds.
2. Your current plan may have lower fees than our fees.
 - a. If you are interested in investing only in mutual funds, you should understand the cost structure of the share classes available in your employer's retirement plan and how the costs of those share classes compare with those available in an IRA.
 - b. You should understand the various products and services you might take advantage of at an IRA provider and the potential costs of those products and services.
3. Our strategy may have higher risk than the option(s) provided to you in your plan.
4. Your current plan may also offer financial advice.
5. If you keep your assets titled in a 401k or retirement account, you could potentially delay your

required minimum distribution beyond age 70.5.

6. Your 401k may offer more liability protection than a rollover IRA; each state may vary.
 - a. Generally, federal law protects assets in qualified plans from creditors. Since 2005, IRA assets have been generally protected from creditors in bankruptcies. However, there can be some exceptions to the general rules so you should consult with an attorney if you are concerned about protecting your retirement plan assets from creditors.
7. You may be able to take out a loan on your 401k, but not from an IRA.
8. IRA assets can be accessed any time; however, distributions are subject to ordinary income tax and may also be subject to a 10% early distribution penalty unless they qualify for an exception such as disability, higher education expenses, or the purchase of a home.
9. If you own company stock in your plan, you may be able to liquidate those shares at a lower capital gains tax rate.
10. Your plan may allow you to hire us as the manager and keep the assets titled in the plan name.

It is important that you understand the differences between these types of accounts and to decide whether a rollover is best for you. Prior to proceeding, if you have questions contact your investment adviser representative, or call our main number as listed on the cover page of this brochure.

David Hunt

Capital Developers, LLC

doing business as

Milestone Wealth

500 Red Banks Road, Suite D
Greenville, NC 27858

Tel: (252) 756-7005

Fax: (252) 756-7064

March 6, 2024

FORM ADV PART 2B BROCHURE SUPPLEMENT

This brochure supplement provides information about David Hunt that supplements the Milestone Wealth brochure. You should have received a copy of that brochure. Contact us at (252) 756-7005 if you did not receive Milestone Wealth's brochure or if you have any questions about the contents of this supplement.

Additional information about David Hunt (CRD # 1856105) is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 Educational Background and Business Experience

David Hunt

Year of Birth: 1966

Formal Education After High School:

- Western Illinois University, BS, Agricultural Business, 8/1984 - 6/1988

Business Background:

- Capital Developers, LLC d/b/a Milestone Wealth; Chief Compliance Officer, 01/2021 – Present; Investment Adviser Representative, 04/2018 – Present; Managing Member, 9/2012 - Present
- Raymond James Financial Services, Inc., Registered Representative, 9/2012 - 4/2018
- Raymond James Financial Services Advisors, Inc., Investment Adviser Representative, 9/2012 - 4/2018

Item 3 Disciplinary Information

Form ADV Part 2B requires disclosure of certain criminal or civil actions, administrative proceedings, and self-regulatory organization proceedings, as well as certain other proceedings related to suspension or revocation of a professional attainment, designation, or license. Mr. David Hunt has no required disclosures under this item.

Item 4 Other Business Activities

David Hunt is separately licensed as an independent insurance agent. In this capacity, he can effect transactions in insurance products for his clients and earn commissions for these activities. The fees you pay our firm for advisory services are separate and distinct from the commissions earned by Mr. Hunt for insurance related activities. This presents a conflict of interest because Mr. Hunt presumably has a financial incentive to recommend insurance products to you. However, you are under no obligation, contractually or otherwise, to purchase insurance products through any person affiliated with our firm.

Item 5 Additional Compensation

Refer to the *Other Business Activities* section above for disclosures on Mr. Hunt's receipt of additional compensation as a result of his other business activities. Also, refer to the *Fees and Compensation, Client Referrals and Other Compensation, and Other Financial Industry Activities and Affiliations* sections of Milestone Wealth's firm brochure for additional disclosures on this topic.

Item 6 Supervision

In the supervision of our associated persons, advice provided is limited based on the restrictions set by Milestone Wealth, and by internal decisions as to the types of investments that may be included in client portfolios. We conduct periodic reviews of client holdings and documented suitability information to provide reasonable assurance that the advice provided remains aligned with each client's stated investment objectives and with our internal guidelines. As Managing Member and Chief Compliance Officer, Mr. Hunt is not supervised by others. He can be reached by phone at (252) 756-7005.