



## **FORM ADV PART 2A**

### **Firm Brochure**

*This brochure provides information about the qualifications and business practices of AEGIS Financial that should be considered before becoming a client of AEGIS or one of its programs. If you have any questions about the contents of this brochure, please contact us at (920) 233-4650 or by email at: [info@aegis4me.com](mailto:info@aegis4me.com). The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission, any state securities authority, or other governmental agency.*

*AEGIS Financial is a registered investment advisor. Registration as an investment adviser does not imply a certain level of skill or training. Additional information about AEGIS Financial is also available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) using AEGIS Financial's CRD number 305030.*

*Advice for Life.*

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# Form ADV Part 2A – Firm Brochure

## ITEM 2: MATERIAL CHANGES

AEGIS Financial's disclosure brochure, dated February 14, 2024, was prepared according to the SEC's requirements and replaces the previous disclosure brochure posted to the SEC's website and dated October 4, 2023. AEGIS Financial ("AEGIS") provides a current copy of its disclosure brochure ("Brochure") to all new and prospective clients as a substitute for Part 2A of Form ADV.

This page will discuss only material changes made to the Brochure since the last revision, providing clients with a summary of those changes. When material changes occur, AEGIS sends a copy of this updated page to all its clients electronically or by US mail.

We will gladly provide any client with a complete Brochure at any time without charge. A copy may be obtained by contacting AEGIS at [info@aegis4me.com](mailto:info@aegis4me.com) or (920) 233-4650. The Brochure is also available as a link on our website by clicking "All Advisor Disclosure Documents" at the bottom of our home page at [www.aegis4me.com](http://www.aegis4me.com). Additional information about AEGIS is also available via the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC's website also provides information about the AEGIS management team and each person registered as an investment advisor representative of AEGIS.

AEGIS Financial has the following material changes to report: None.

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## ITEM 4: ADVISORY BUSINESS

### DESCRIPTION OF THE ADVISORY FIRM

AEGIS Financial (hereinafter “AEGIS”) is a corporation organized in Wisconsin. The firm was formed in January 1997, and the principal owner is William Lee Bowman. The firm operates under the AEGIS Financial name with the full legal name of Bowman & Company S.C.

AEGIS represents and affirmatively acknowledges that it acts as a fiduciary within the meaning of the Investment Advisers Act of 1940, as amended. As such, AEGIS owes a fiduciary duty to each of its clients. This principle-based duty applies to the entire relationship between AEGIS and each client. Accordingly, AEGIS has developed impartial standards of conduct as formal obligations to serve only our client’s best interests, to charge reasonable fees based on the scope and complexity of the services provided, to avoid misleading statements, and to manage and disclose potential conflicts of interest.

AEGIS offers a wide range of advisory services from Asset Management, Financial Planning, Enhanced Financial Planning, or Comprehensive Wealth Management to investors, high-net-worth individuals\*, and charitable organizations. In this regard, AEGIS should be viewed as a level-fee advisor whose bundled fees encompass many investment services based on individualized and ongoing asset management without the bias and conflicts of commission or variable compensation based upon its recommendations.

AEGIS is headquartered in Oshkosh, WI, with branches in Appleton, WI, and Milwaukee. Client accounts are in the custody of independent qualified custodian Raymond James & Associates, Inc. Member New York Stock Exchange/SIPC, in a separate account for each client registered in the client’s name.

### WRITTEN ACKNOWLEDGEMENT OF FIDUCIARY STATUS

When we provide investment advice to you regarding your retirement plan account or individual retirement account, we are 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. How we make money creates conflicts with your interests, so we operate under a special rule that requires us to act in your best interest and not put our interests ahead of yours. Under this special rule’s provisions, we must:

- Meet a professional standard of care when making investment recommendations (give prudent advice)
- Never put our financial interests ahead of yours when making recommendations (give loyal advice)
- Avoid misleading statements about conflicts of interest, fees, and investments.
- Follow policies and procedures to ensure we advise in your best interest.
- Charge no more than is reasonable for our services and
- Give you basic information about conflicts of interest.

### TYPES OF ADVISORY SERVICES

AEGIS provides investment advice through individualized consultations about retirement planning, tax planning, goal-based planning, investment planning, estate planning, and many other services for a fee. As a part of its financial planning services, AEGIS offers discretionary and non-discretionary asset management services where it provides continuous, active, individualized management to each client. AEGIS also provides general consulting services from financial planning to wealth transfer based on the client’s need, whether they have assets with AEGIS or not. Collectively, these services are generally referred to as Consulting Services.

\*“ High-Net-Worth” Individuals are principal members of a client household with at least \$1,000,000 managed by AEGIS or whose net worth AEGIS reasonably believes exceeds \$2,000,000.

## Asset Management Program

AEGIS Asset Management's program is consumer-friendly for clients who seek individualized investment analysis, using the proactive professional asset management approach and disciplines of the AEGIS Financial Investment Committee. AEGIS helps its clients create a personal financial profile that matches them with a model investment portfolio that is cost-conscious, globally diversified, and actively managed to meet their individual risk tolerance needs. AEGIS Asset Management benefits from the collective experience of the AEGIS Financial Investment Committee, with the support of the insight and contributions of the third-party research, allocation, and asset selection partners it chooses to engage. Together, we monitor risk parameters, rebalancing opportunities, performance comparisons to a benchmark, and dynamic investment selection as opportunities are identified. In addition, the AEGIS Asset Management program provides clients with an annual written review of their accounts.

Over the course of the relationship, each client will have the opportunity, when appropriate, to consult with AEGIS and discuss (i) personal opportunities, financial goals and objectives, risk tolerance and management, educational funding, and building your retirement; (ii) recommendations regarding the advisability of distributions, transfers, or rollovers from retirement plans or IRAs, (iii) investment management and portfolio strategies, (iv) beneficiary reviews to efficiently transfer assets, (v) tax-efficient strategies, (vi) similar personal financial management decisions based on the unique needs of the Client, (vii) reporting – quarterly performance reports and online account access, (viii) communication with professional partners if necessary (ix) market updates, newsletters, and education events.

The AEGIS Asset Management program does not provide the client with the full suite of its Financial Planning Services, Enhanced Financial Planning, or Comprehensive Wealth Management Services. In addition, clients are provided with only limited opportunities to engage with the professional team members of the AEGIS Financial Team.

## Financial Planning Program

AEGIS Financial Planning's program is for clients who have moved beyond investment management to a broader perspective on their financial situation. Clients seeking this service seek planning and tax strategies to incorporate into current and future cash flow needs and build income streams for retirement design to align with their lifestyle goals. This program also benefits from the collective experience of the AEGIS Financial Investment Committee, with the support of the insight and contributions of the third-party research, allocation, and asset selection partners it chooses to engage. Together, we monitor risk parameters, rebalancing opportunities, performance comparisons to a benchmark, and dynamic investment selection as opportunities are identified. In addition, this program provides the client with an annual face-to-face stakeholder meeting of their accounts.

Over the course of the relationship, each client will have the opportunity, when appropriate, to consult with AEGIS and discuss (i) all services provided in the Asset Management program (ii) create a Financial Life Plan to ensure the client is on track to meet their retirement goals including social security (iii) simple tax review (iv) implement tax efficient strategies relating to capital gains, wealth transfers, and retirement (v) designing cash flow and income strategies to meet current and future lifestyle needs (vi) estate planning assistance and strategies (vii) insurance management review (viii) and access to capital access debit card or check writing.

AEGIS Financial Planning program includes all the services of the Asset Management program but does not include the benefits of the Enhanced Financial Planning or Comprehensive Wealth Management Services program.

## Enhanced Financial Planning Program

AEGIS Enhanced Financial Planning's program is for clients seeking access to a broader range of investment, retirement, estate, and tax strategies. We help these clients employ advanced planning and wealth management tactics to mitigate tax while working toward various financial objectives. This program's planning and tax strategies incorporate social security options and application for benefits. This program also benefits from the collective experience of the AEGIS Financial Investment Committee, with the support of the insight and contributions of the third-party research, allocation, and asset selection partners it chooses to engage. Together, we monitor risk parameters, rebalancing opportunities, performance comparisons to a benchmark, and dynamic investment selection as opportunities are identified. In addition, this program provides the client with an annual face-to-face stakeholder meeting of their accounts.



Over the course of the relationship, each client will have the opportunity, when appropriate, to consult with AEGIS and discuss (i) all services provided in Asset Management and Financial Planning programs, (ii) a full annual tax review and efficiency plan, (iii) review of employee benefit options and provide recommendations (iv) provide retirement needs analysis, 401(k) review, and comprehensive retirement planning (v) analyze and maximize social security benefits (vi) provide estate plan and survivor needs analysis (vii) if needed research alternative investment strategies (viii) insurance risk management and long-term care planning analysis (ix) and coordination with the client's professional partners.

AEGIS Financials' Enhanced Financial Planning program includes all the Asset Management and Financial Planning Program services. Still, it does not have the benefits of the Comprehensive Wealth Management Services program.

### **Comprehensive Wealth Management Services Program**

AEGIS Comprehensive Wealth Management Services' program is for higher net worth clients balancing retirement needs with estate and legacy goals, family priorities, and a complicated tax profile that needs a program to accommodate and simplify this complexity. For this reason, we developed this program, which includes all investment and wealth planning capabilities of other services and several specialized strategies and personalized AEGIS Financial tools. This program also benefits from the collective experience of the AEGIS Financial Investment Committee, with the support of the insight and contributions of the third-party research, allocation, and asset selection partners it chooses to engage. Together, we monitor risk parameters, rebalancing opportunities, performance comparisons to a benchmark, and dynamic investment selection as opportunities are identified. In addition, this program provides the client with semi-annual face-to-face stakeholder meetings of their accounts.

Over the course of the relationship, each client will have the opportunity, when appropriate, to consult with AEGIS and discuss (i) all services provided in the Asset Management, Financial Planning, and Enhanced Financial Planning programs. In addition, (ii) create a detailed Financial Life Plan incorporating advanced tax mitigation strategies, (iii) an annual comprehensive tax review and efficiency plan, (iv) provide legacy and quality of life planning, (v) guide charitable gifting with an integrated tax strategy (vi) semi-annual stakeholder meeting with family and professional partners (vii) transition guides including 12 part business succession guide for small businesses (viii) external account consulting including deferred compensation and stock option plans (vii) an in-depth review of employee benefit options and provide recommendations.

### **Portfolio Management Services**

AEGIS offers ongoing portfolio management services as part of all its service offerings based on each client's individual goals, objectives, time horizon, and risk tolerance. AEGIS gathers personal information from each client, including age, income, tax levels, net worth, investment experience, and liquidity needs, and then constructs a plan to aid in selecting a portfolio that matches each client's specific situation. AEGIS will assist the client in opening an account or accounts with a qualified custodian based on the information provided by the client and manage the investments in each account on the client's behalf. AEGIS will supervise, provide ongoing active management, and direct the management of the assets in each account concerning the purchase, sale, or continued holding of securities, subject to any restrictions the client may wish to impose. AEGIS will select mutual funds, exchange-traded funds, cash and cash equivalents, and individual securities in each client's account. AEGIS believes that all asset classes are valuable tools in implementing investment strategies; therefore, fees for services are based on the total value of each client's account, including cash balances.

Portfolio management services are provided to each client on a discretionary or non-discretionary basis. Discretion means that when AEGIS believes it is appropriate, and without further consultation with the client, AEGIS may buy or sell securities to achieve the objective expressed by the client. The discretionary nature of the relationship does not create a custody relationship between AEGIS and the client. The client can terminate their agreement anytime and receive a pro-rata return of any unearned fees. Clients may impose reasonable restrictions on managing the account(s). However, the client retains every ownership right to their account(s), including the right to withdraw assets from the account(s).

Accounts will be in the custody of Raymond James or a similar custodian, each a qualified custodian, as that term is used in the Advisers Act and Release No. 2176. Accounts will be opened with the request and signed application of the client, thereby notifying each client of their custodial relationship. In addition, each custodian will send each client a statement, at least quarterly, detailing the balances and activities in each account over the previous quarter, including the fees collected by AEGIS. Custodians may be registered brokers/dealers and SIPC members. Clients are strongly urged to review the statements provided by the custodian for any inaccuracy and to immediately notify AEGIS and the custodian of any inaccuracies or substantive inconsistencies.

Portfolio management services include, but are not limited to, the following:

- Investment Strategy
- Personal Investment Policy
- Asset Allocation
- Asset Selection
- Risk Tolerance
- Regular Portfolio Monitoring

AEGIS evaluates each client's current investments concerning risk tolerance and time horizon. Risk tolerance levels are documented and reviewed periodically. In addition, AEGIS will contact each client at least annually to review their account(s) and to determine whether there should be any changes to the client's suitability profile or how each account is being managed.

## Consulting Services

AEGIS provides consulting services oriented toward existing investment portfolios, employer retirement plans, insurance, annuities, and other investments on a non-discretionary basis. Consulting services will generally involve recommendations to the client based on the options available to the client following an analysis of the existing investment and a review of the client's goals, risk tolerance, time horizon, and similar suitability considerations. Consulting services may also include advice regarding risk management, retirement projections, estate planning, business planning, and advanced tax planning. All these services would collectively be considered consulting services. Consulting services through AEGIS are intentionally broad in scope and will vary in complexity while being tailored to address the material issues surrounding each client's financial goals.

Consulting services may result in the delivery of a written analysis for financial planning. The plan may be implemented at the client's discretion in any manner or degree that the client chooses. The client is free to follow the plan, in whole or in part, and may do so with any investment advisor or company they choose.

Consulting services are contracted on an hourly or flat fee basis. Flat fees for basic projects start as low as \$1,500 but can be significantly higher depending on the complexity and duration of the project. A written consulting agreement will be provided before any services are initiated. If the fees paid for consulting services are exhausted by those services, an additional contract and fee arrangement would be required for ongoing wealth management services. AEGIS will only collect a fee of \$1500 for services to be performed six (6) months or more in the future. AEGIS may require a deposit equal to 100% of the estimated fee. Should services be terminated before completing a written analysis or plan, the client will be entitled to a refund of prepaid and unearned fees.

## CLIENT-TAILORED SERVICES AND CLIENT-IMPOSED RESTRICTIONS

AEGIS tailors its services to the individual needs of each client. Therefore, AEGIS may make trades or advise one client that is different from the advice or actions it takes for another client. Clients are relied upon to provide current and accurate information to AEGIS regarding their investments and financial situation. This would include the client's financial condition, investment objectives, tolerance for risk, investment time frame, need for liquidity, investment experience, and tax status. AEGIS will rely upon the information provided by the client, and the client is responsible for ensuring that the information provided to AEGIS is current, complete, and accurate.

The client may restrict investing in particular securities or types based on their values or beliefs. However, the restrictions prevent AEGIS from adequately servicing the client account or would require AEGIS to deviate from its standard suite of services. In that case, AEGIS reserves the right to end the relationship.

## ASSETS UNDER MANAGEMENT

As of December 31<sup>st</sup>, 2023, AEGIS managed the following client assets:

Discretionary Amounts	Non-discretionary Amounts	Date Calculated
\$349,788,379	\$7,133,352	December 29, 2023

## ITEM 5: FEES AND COMPENSATION

### FEE SCHEDULE

Total Assets Under Management	Annual Fees
All Assets	Up to 2.00%

The advisory fee applies to all the accounts receiving services during the period based on the total ending value of each account, including cash, on the last business day of the prior billing period.

Fee rates are negotiable, payable in advance, and memorialized in the client's Wealth Management Agreement. The negotiated fee will be based on multiple factors involving the scope and complexity of the services provided and the total value of the assets in the client's account(s). Any fee rate changes, higher or lower, become effective at the start of the following fee billing cycle.

Fees for the initial quarter for services are provided based on the remaining days. Accordingly, AEGIS will collect a pro-rata fee on additional deposits of \$100,000 or more to any existing account during a quarter based on the number of days those services were provided. Likewise, Clients who withdraw \$100,000 or more during a quarter will receive a pro-rata refund of unearned fees previously paid on the amount withdrawn.

AEGIS collects its fees quarterly in advance. As a courtesy to each client, fees are deducted directly from the client's AEGIS investment account(s). Clients have the right to designate the account from which fees are deducted. Clients authorize AEGIS to deduct fees from the designated account(s) at the beginning of each quarter and to send the fees to AEGIS. Clients can also pay their fees via check or ACH from an account other than their AEGIS investment account. A standing letter of authorization is required to ACH fees from an account other than their AEGIS investment account. Clients will not receive advance billing invoices; however, each client will receive a quarterly statement from the qualified custodian detailing the fees deducted/billed in the prior quarter. Clients authorize AEGIS and its custodians to sell money market shares and then securities, in that order, if sufficient cash balances are not available in the account(s) when fees are debited. The waiver of any fee for any client shall have no bearing whatsoever on the fees due from any other client or client account. Clients who have any questions on the calculation of their fee or who wish to dispute any fee should immediately contact the AEGIS Chief Compliance Officer.

Clients may terminate the agreement without penalty for a full refund of AEGIS's fees within five business days of signing the Wealth Management Agreement. After that, clients may terminate the Wealth Management Agreement immediately upon written notice. Terminating clients are only responsible for the prorated fee based on the number of days services were performed in the period. In that case, a prorated reimbursement of unearned fees will be made to the client.

$$\text{Example:} \\ \frac{[\# \text{ of Days in Quarter} - \text{Days of Service}]}{[\# \text{ of Days in Quarter}]} \times [\text{Prepaid Fee \$}] = \text{Prorated Refund}$$

AEGIS retains the discretion and right to offset or waive its right to collect any fee due to AEGIS, in whole or in part, by its client agreements. Accordingly, advisory fees for services provided by AEGIS may be more or less than those of comparable services offered elsewhere.

### CONSULTING SERVICES FEES AND FIXED FEES

The negotiated fixed rate for consulting services depends on the scope and duration of the services provided. AEGIS may require an advance deposit of up to 100% of the estimated fee. However, AEGIS will not collect any fee more than \$1,500 for services to be performed six (6) months or more in the future. Consulting clients that are also advisory management clients of AEGIS may incur additional charges but not exceed 2% of the total plan assets.

Consulting fees are paid via check, draft from a checking account, or your current AEGIS investment account. Consulting fees may be charged in advance or arrears, depending on the specific services provided.



Clients may terminate the agreement without penalty for a full refund of AEGIS's fees within five business days of signing the Consulting Agreement. After that, clients or AEGIS may terminate the Consulting Agreement generally upon written notice.

## CLIENT RESPONSIBILITY FOR THIRD-PARTY FEES

Clients are responsible for paying all third-party fees (i.e., custodian, brokerage, mutual fund, transaction, etc.). Those fees are separate and distinct from the fees and expenses charged by AEGIS. Please see Item 12 of this brochure regarding Brokerage Practices.

## ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

AEGIS does not accept performance-based or other fees based on a share of capital gains or appreciation of a client's assets.

## ITEM 7: TYPES OF CLIENTS

AEGIS generally provides advisory services to the following types of clients:

- Individuals/Families, including trusts
- Charitable Organizations
- Professionals
- High Net Worth Individuals\*
- Corporate Executives
- Retirees
- Corporations or Business Entities
- Business Owners

There is no account minimum for any of AEGIS's services.

## ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES & RISK OF LOSS

### METHODS OF ANALYSIS

**Charting analysis** strategy involves using and comparing charts to predict long-term and short-term performance or market trends. The risk involved in using this method is that only past performance data is considered without using other methods to crosscheck data. For example, charting analysis without other forms would assume that past performance will indicate future performance. This may be different.

**Fundamental analysis** concentrates on factors determining a company's value and expected future earnings. This strategy would generally encourage equity purchases in stocks that are undervalued or priced below their perceived value. The risk assumed is that the market will fail to reach expectations of perceived value.

**Modern portfolio theory** assumes that investors are risk averse, meaning that given two portfolios that offer the same expected return, investors will prefer the less risky one. Thus, an investor will take on increased risk only if compensated by higher expected returns. Conversely, an investor who wants higher expected returns must accept more risk. The exact trade-off will be the same for all investors, but different investors will evaluate the trade-off differently based on individual risk aversion characteristics. The implication is that a rational investor will not invest in a portfolio if a second portfolio exists with a more favorable risk-expected return profile – i.e. if an alternative portfolio with better-expected returns exists for that level of risk.

**Quantitative analysis** investment strategies using quantitative models may perform differently than expected due to, among other things, the factors used in the models, the weight placed on each aspect, changes from the factors' historical trends, and technical issues in the construction and implementation of the models.

**Technical analysis** attempts to predict a future stock price or direction based on market trends. The assumption is that the market follows discernible patterns, and if these patterns can be identified, then a prediction can be made. The risk is that markets only sometimes track patterns, and relying solely on this method may not consider new patterns that emerge over time.

## INVESTMENT STRATEGIES

AEGIS's use of short sales, margin transactions, and options trading generally holds greater risk, and clients should be aware of a material risk of loss using any of those strategies.

**Long-term trading** is designed to capture return and risk market rates. Due to its nature, the long-term investment strategy can expose clients to several types of risk that will typically surface at multiple intervals when the client owns the investments. These risks include but are not limited to inflation (purchasing power) risk, interest rate risk, economic risk, market risk, and political/regulatory risk.

**Margin transactions** use the leverage borrowed from a brokerage firm as collateral. When losses occur, the value of the margin account may fall below the brokerage firm's threshold, triggering a margin call. This may force the account holder to either allocate more funds to the account or sell assets in a shorter time frame than desired.

**Options transactions** involve a contract to purchase a security at a given price, not necessarily at market value, depending on the market. As a result, this strategy includes the risk that an option may expire out of the money, resulting in minimal or no value and the possibility of a leveraged loss of trading capital due to the leveraged nature of stock options.

**Short sales** entail the possibility of infinite loss. An increase in the applicable securities' prices will result in a loss, and, over time, the market has historically trended upward.

**Short-term** trading risks include liquidity, economic stability, inflation, and the long-term trading risks listed above. Moreover, frequent trading can affect investment performance, mainly through increased brokerage and other transaction costs and taxes.

*Investing in securities involves a risk of loss that you, as a client, should be prepared to bear.*

## ITEM 9: DISCIPLINARY INFORMATION

### Criminal or Civil Actions

There are no criminal or civil actions to report.

### Administrative Proceedings

There are no administrative proceedings to report.

### Self-regulatory Organization (SRO) Proceedings

There are no self-regulatory organization proceedings to report.

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

While providing any of its services, AEGIS occasionally identifies a need for asset protection advice involving insurance. In these rare cases, AEGIS will offer insurance through its affiliated corporate insurance agency. Certain supervised persons are agents of the corporate insurance agency. Clients should know that these services result in a commission to the agency. Clients are allowed to utilize the benefits of the AEGIS corporate insurance agency. These activities represent less than 1% of AEGIS Financials' annual revenue.

## **ITEM 11: CODE OF ETHICS, PARTICIPATION OF INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **CODE OF ETHICS**

AEGIS has a written Code of Ethics that covers the following areas: Prohibited Purchases and Sales, Insider Trading, Personal Securities Transactions, Exempted Transactions, Prohibited Activities, Conflicts of Interest, Gifts and Entertainment, Confidentiality, Service on a Board of Directors, Compliance Procedures, Compliance with Laws and Regulations, Procedures and Reporting, Certification of Compliance, Reporting Violations, Compliance Officer Duties, Training and Education, Record-keeping, Annual Review, and Sanctions. AEGIS's Code of Ethics is free upon request to any client or prospective client.

### **RECOMMENDATIONS INVOLVING MATERIAL FINANCIAL INTERESTS**

AEGIS does not recommend that clients buy or sell any security in which a related person to AEGIS or AEGIS has a material financial interest.

### **EMPLOYEE TRADING**

From time to time, employees of AEGIS may buy or sell securities for themselves that they also recommend to clients. Employee transactions are reported to the AEGIS Chief Compliance Officer (“CCO”) quarterly, so AEGIS may supervise and review trading activity to determine if the employee’s trading activity disadvantaged any client. Before placing a trade in an employee account, the employee must determine if the security, or any of its derivatives, is on the AEGIS Restricted List. If the security is on the Restricted List, the employee must first obtain the permission of the CCO or enter the trade after 2:30 p.m. CST. In addition, employees are asked to consider if their trading activity will have a meaningful impact on the price or market for the security, whether they will personally benefit from purchases or sales being made in client accounts, whether any transaction is likely to harm any client; and whether the trading activity creates any appearance or suggestion of impropriety. Employee accounts include all accounts for family members living in an AEGIS employee’s household and any other accounts over which an employee has the authority or direct beneficial interest.

## **ITEM 12: BROKERAGE PRACTICES**

### **FACTORS USED TO SELECT CUSTODIANS**

AEGIS recommends that qualified custodians hold client accounts in each client’s name. AEGIS recommends custodians based on the firm's proven integrity and financial strength, best execution of orders at reasonable rates, administrative costs to AEGIS clients, and the quality of the custodian’s client services. Clients will not necessarily pay the lowest commission or commission equivalent, and AEGIS also considers the market expertise and research access provided by the custodian, including but not limited to access to written research, oral communication with analysts, admittance to research conferences and other resources provided by the custodian that may aid in AEGIS's research efforts. AEGIS will never charge a premium or commission on transactions beyond the actual cost imposed by the custodian. AEGIS will require clients to use Raymond James as the client’s qualified custodian (CRD# 6694).

### **RESEARCH AND OTHER SOFT DOLLAR BENEFITS**

While AEGIS has no formal soft dollar program in which soft dollars are used to pay for third-party services, AEGIS may receive research, products, or other services from custodians in connection with client securities transactions (“soft dollar benefits”). AEGIS may enter into soft-dollar arrangements consistent with (and not outside of) the safe harbor contained in Section 28(e) of the Securities Exchange Act of 1934, as amended. There can be no assurance that any particular client will benefit from soft dollar research, whether or not the client’s transactions paid for it. AEGIS does not seek to allocate benefits to client accounts proportionate to any soft dollar credits generated by the accounts. AEGIS benefits by not having to produce or pay for the research, products, or services. AEGIS will not have the incentive to recommend a custodian based on receiving research or services. Clients should be aware that AEGIS’s acceptance of soft dollar benefits may result in higher commissions charged to the client.

## **BROKERAGE FOR CLIENT REFERRALS**

AEGIS receives no referrals from a broker-dealer or third party in exchange for using that broker-dealer or third party.

## **DIRECTED BROKERAGE**

AEGIS will not require clients to use a specific broker-dealer to execute transactions.

## **ITEM 13: REVIEW OF ACCOUNTS**

### **FREQUENCY AND NATURE OF PERIODIC REVIEWS AND WHO DOES THOSE REVIEWS**

AEGIS's Compliance team reviews all client accounts annually about clients' respective investment policies and risk tolerance levels. All accounts at AEGIS are assigned to this reviewer.

All consulting accounts are reviewed upon financial plan creation and plan delivery. Consulting clients are provided with a one-time financial plan concerning their financial situation. After the presentation of the plan, there are no further reports. Clients may request additional plans or reports for a fee.

### **FACTORS THAT WILL TRIGGER A NON-PERIODIC REVIEW OF CLIENT ACCOUNTS**

Reviews may be triggered by material market changes, economic or political events, or changes in a client's financial situation (such as retirement, termination of employment, physical move, or inheritance).

Concerning consulting services, AEGIS's services will conclude, dependent on the Consulting Agreement.

### **CONTENT AND FREQUENCY OF REGULAR REPORTS PROVIDED TO CLIENTS**

All clients (except consulting-only clients) will receive a quarterly statement report detailing the client's account, including assets held, asset value, and calculation of fees. This written report will come from the custodian. In addition, each consulting client will receive a written analysis depending on their chosen services.

## **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

### **ECONOMIC BENEFITS PROVIDED BY THIRD PARTIES FOR ADVICE RENDERED TO CLIENTS (INCLUDING SALES AWARDS OR OTHER PRIZES)**

AEGIS receives additional benefits from certain issuers of securities, mainly mutual funds, in the form of paid expenses for client appreciation events. However, AEGIS does not accept any sales incentive to recommend those issuers.

### **COMPENSATION TO NON-ADVISORY PERSONNEL FOR CLIENT REFERRALS ("SOLICITORS")**

AEGIS does not compensate non-advisory personnel (solicitors) for client referrals.

## **ITEM 15: CUSTODY**

AEGIS has determined that it is subject to Rule 206(4)-2, "Custody of Funds or Securities of Clients by Investment Advisers," of the Act, as amended. AEGIS has determined that it has custody of client funds as a general consequence of the advisor's authority to collect advisory fees directly from client accounts, how third-party checks are made payable as they pass through the AEGIS back office for deposit to the qualified custodians, and its authority to send money to third parties utilizing a standing letter of authorization ("SLOA"). Accordingly, AEGIS will follow the safeguards specified by the SEC rather than undergo an annual audit.

AEGIS will not accept stock certificates or similar physical securities from its clients. If AEGIS inadvertently receives physical securities from a client, AEGIS will return the securities to the sender within three business days. Clients will receive a quarterly statement from the qualified custodian who holds and maintains the client's account(s). The statement will describe all the activity in each account during the preceding period, including all transactions, contributions, withdrawals, fees, and expenses charged to the account, and the value of each account at the beginning and end of the period.

#### **ITEM 16: INVESTMENT DISCRETION**

AEGIS provides discretionary and non-discretionary investment advisory services to clients. The Wealth Management Agreement established with each client sets forth discretionary authority for trading. Where investment discretion has been granted, AEGIS generally manages the client's account and makes investment decisions without consultation with the client as to when the securities are to be bought or sold for the account, the total amount of the securities to be bought/sold, what securities to buy or sell, or the price per share. Sometimes, AEGIS's discretionary authority in making these determinations may be limited by conditions imposed by a client.

#### **ITEM 17: VOTING CLIENT SECURITIES (PROXY VOTING)**

AEGIS will not ask for nor accept voting authority for client securities. Clients will receive proxies directly from the security issuer or the custodian. Clients should direct all proxy questions to the security issuer.

#### **ITEM 18: FINANCIAL INFORMATION**

##### **BALANCE SHEET**

AEGIS neither requires nor solicits prepayment of more than \$1,500 in fees per client, six months or more in advance, and therefore is not required to include a balance sheet with this brochure.

##### **FINANCIAL CONDITIONS REASONABLY LIKELY TO IMPAIR ABILITY TO MEET CONTRACTUAL COMMITMENTS TO CLIENTS**

Neither AEGIS nor its management has any financial condition that is likely to reasonably impair AEGIS's ability to meet contractual commitments to clients.

##### **BANKRUPTCY PETITIONS IN THE PREVIOUS TEN YEARS**

AEGIS has not been the subject of a bankruptcy petition or proceedings.