

Item 1

# Teton Wealth Group, LLC

CRD # 311230

*764 E Winchester St. #100  
Murray, Utah 84107*

Telephone (844) 838-6600  
Facsimile (866) 731-3794  
retireteton.com

## DISCLOSURE BROCHURE

March 15, 2024

This brochure provides information about the qualifications and business practices of Teton Wealth Group, LLC. If you have any questions about the contents of this brochure, please contact us at (844) 838-6600 or by email at [doug@retireteton.com](mailto:doug@retireteton.com). 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.

Teton Wealth Group, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

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

---

## MATERIAL CHANGES

---

### *Item 2: Material Changes*

Item 4 has been updated to reflect assets under management as of December 31<sup>st</sup>, 2023. GenWealth Advisory Group has been removed.

Item 15 has been amended to reflect standing authorization for money movement with third parties.

---

## TABLE OF CONTENTS

---

### *Item 3: Table of Contents*

<i>Item 2: Material Changes</i> .....	2
<i>Item 4: Advisory Business</i> .....	3
<i>Item 5: Fees and Compensation</i> .....	4
<i>Item 6: Performance-Based Fees</i> .....	6
<i>Item 7: Types of Clients</i> .....	6
<i>Item 8: Methods of Analysis, Investment Strategies and Risk of Loss</i> .....	6
Investing in securities involves risk of loss that each client should be prepared to bear .....	6
<i>Item 9: Disciplinary Information</i> .....	9
<i>Item 10: Other Financial Industry Activities and Affiliations</i> .....	10
<i>Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading</i> .....	11
<i>Item 12: Brokerage Practices</i> .....	12
<i>Item 13: Review of Accounts</i> .....	14
<i>Item 14: Client Referrals and Other Compensation</i> .....	14
<i>Item 15: Custody</i> .....	15
<i>Item 16: Investment Discretion</i> .....	15
<i>Item 17: Voting Client Securities</i> .....	16
<i>Item 18: Financial Information</i> .....	16

---

## ADVISORY BUSINESS

---

### *Item 4: Advisory Business*

#### *Item 4A*

The Teton Wealth Group, LLC (Teton) is a Limited Liability Company organized under the laws of the state of Utah. Teton is registered with the Securities and Exchange Commission and was founded in 2019. Clayton B. Alexander is the sole owner of Teton. Douglas S. Ferrell is the Chief Compliance Officer of Teton.

Teton is an investment management firm. The firm sells annuity and insurance products through an affiliated company, Teton Wealth Management, LLC.

Teton does not act as a custodian of client assets.

All material conflicts of interest are disclosed regarding Teton, our representatives and any employees, which could be reasonably expected to impair the rendering of unbiased and objective advice. Conflicts of interest may include but are not limited to: (a) compensation arrangements connected with advisory services which are in addition to the advisory fees; (b) other financial industry activities or affiliations; and (c) participation of interest in client transactions.

#### *Item 4B*

##### *Teton Advisory Services*

We work with you to identify your investment goals and objectives, as well as risk tolerance, in order to create an initial portfolio allocation designed to complement your financial situation and personal circumstances. The investment strategies utilized, and portfolios constructed and managed depend on your investment objectives and goals as provided to the investment adviser representative ("IAR") and the management style of the IAR.

The IAR may purchase, sell, and/or exchange securities including, but not limited to, mutual funds, equities, fixed income instruments, closed-end mutual funds, and exchange traded funds. However, you have the opportunity to place reasonable restrictions on the type of investments to be held in the portfolio. The IAR may periodically rebalance your account to maintain the initially agreed upon strategic and tactical asset allocation. However, no changes are made to the agreed-upon asset allocation in nondiscretionary accounts without your prior review and consent.

##### *Selection of Other Advisers*

As part of our investment advisory services, we may recommend that you use the services of a third-party money manager to manage all, or a portion of, your investment portfolio. After gathering information about your financial situation and objectives, we will recommend that you engage a specific money manager or investment program. Factors that we take into consideration when making our recommendation(s) include, but are not limited to, the following: the money manager's performance, methods of analysis, fees, your financial needs, investment goals, risk tolerance, and investment objectives. We will periodically monitor the money manager performance to ensure its management and investment style remains aligned with your investment goals and objectives.

#### *Item 4C*

##### *Needs and Restrictions*

In managing your investment portfolio, we consider your: financial situation, risk tolerance, investment horizon, liquidity needs, tax considerations, investment objectives, and any other issues important to your

state of affairs. You should notify us promptly of any changes in your financial situation or investment objectives or if you wish to impose any reasonable restrictions upon the management of your account.

*Item 4D*

Teton does not participate in wrap fee programs or provide portfolio management services to wrap fee programs.

*Item 4E*

*Assets under Management*

As of December 31, 2023, we managed approximately \$128,388,635 million in client assets on a discretionary basis. Approximately \$0 million in client assets were managed on a non-discretionary basis where our clients made the investment decisions based upon our recommendations.

---

**FEES AND COMPENSATION**

---

*Item 5: Fees and Compensation*

*Item 5A*

*Teton Fee*

Teton charges a negotiated portfolio management fee based on a percentage of assets under management per year (annum). Teton does offer discounts to select friends, employees, and family.

Assets under Management	Annual Portfolio Management Fee
\$0 and Above	1.00% - 1.50%

*Item 5B*

Teton uses the value of the account as of the last business day of the prior billing period, after taking into account deposits and withdrawals, for the purpose of determining the market value of the assets upon which the advisory fee is based. Asset-based portfolio management fees for the Teton accounts are withdrawn directly from the client's accounts with client's written authorization on a monthly basis. Fees are paid in advance. Lower fees for comparable services may be available from other sources. Teton will not be compensated on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of Client. Teton has no account minimum.

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians ("custodian/ broker-dealer"). Your custodian/broker-dealer determines the values of the assets in your portfolio. Fees for the initial period are based on the value of your cash and securities on the date the custodian/broker-dealer receives them and are prorated based upon the number of calendar days in the calendar month that our agreement is in effect.

Similar services may be available from other registered investment advisers for lower fees.

*Item 5C*

*General Fee Information*

You must authorize us in writing to have the custodian pay us directly by charging your account. Fees are deducted monthly pursuant to your advisory agreement with us.

Your custodian/broker-dealer provides you with statements that show the amount paid directly to us. You should review and verify the calculation of our fees. Your custodian/broker-dealer does not verify the accuracy of fee calculations.

In addition to our fee, you may be required to pay other charges such as: custodial fees, brokerage commissions, transaction fees, SEC fees, internal fees and expenses charged by mutual funds or exchange traded funds ("ETFs"), and other fees and taxes on brokerage accounts and securities transactions.

Mutual fund companies and ETFs, charge internal fees and expenses for their products. These fees and expenses are in addition to any advisory fees charged by us. Complete details of these internal fees and expenses are explained in the prospectus for each investment. You are strongly encouraged to read these explanations before investing any money. You may ask us any questions you have about fees and expenses.

If you purchase mutual funds through the custodian/broker-dealer, you may pay a transaction fee that would not be charged if the transactions were made directly through the mutual fund company. Also, mutual funds held in accounts at brokerage firms may pay internal fees that are different from funds held at the mutual fund company.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee, those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

IAR's of Teton market annuity and insurance products through an affiliated company, Teton Wealth Management, LLC. Should you purchase insurance products from these IARs in their capacity as insurance agents they will earn a commission. Thus, a conflict of interest exists between the interests of Teton, the IAR and those of the advisory clients. You are under no obligation to act upon any recommendations of Teton, the IAR, nor are you required to purchase insurance should you decide to follow their recommendations.

Teton may also recommend various asset management firms. If you establish an investment advisory relationship with one of these firms, our IARs share in the advisory fees you pay to these asset management firms.

Please be sure to read the section entitled "Brokerage Practices," which follows later in this brochure.

#### *Item 5D*

Should you terminate the advisory agreement we have entered into within five (5) business days from the date the agreement is executed, you will receive a full refund of any fees paid.

Should either one of us terminate the advisory agreement we have entered into before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us. The amount refunded to you is calculated by dividing the most recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

#### *Item 5E*

Neither Teton nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

As noted above in Section 5C, IAR's of Teton market annuity and insurance products through an affiliated company, Teton Wealth Management, LLC. Should you purchase insurance products from these IARs in

their capacity as insurance agents they will earn a commission. Thus, a conflict of interest exists between the interests of Teton, the IAR and you. You are under no obligation to act upon any recommendations of Teton, the IAR, nor are you required to purchase insurance should you decide to follow their recommendations.

The above arrangements present a conflict of interest because they create an incentive to make recommendations based upon the amount of compensation we receive rather than based upon your needs. We also recommend no-load and load-waived mutual funds to further reduce conflicts of interest. Additionally, you have the option to purchase investment and insurance products through other brokers or agents who are not affiliated with us.

Similar services may be available from other registered investment advisers for lower fees.

## **PERFORMANCE-BASED FEES**

### *Item 6: Performance-Based Fees*

Performance-based fees are designed to give a portion of the returns of an investment to the investment adviser as a reward for positive performance. The fee is generally a percentage of the profits made on the investments. We do not charge performance-based fees on any of our client accounts.

## **TYPES OF CLIENTS**

### *Item 7: Types of Clients*

We provide advisory services primarily to high net worth individuals, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities including their pension and profit-sharing plans. Teton has no account minimum.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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

Investing in securities involves risk of loss that each client should be prepared to bear.

#### *Item 8A*

We select specific investments for your portfolios through the use of fundamental, cyclical, and technical analysis, as well as charting.

Fundamental analysis is a method of evaluating a company that has issued a security by attempting to measure the value of its underlying assets. It entails studying overall economic and industry conditions as well as the financial condition and the quality of the company's management. Earnings, expenses, assets, and liabilities are all important in determining the value of a company. The value is then compared to the current price of the issuing company's security to determine whether to purchase, sell or hold the security.

Cyclical analysis is a form of fundamental analysis that involves the process of making investment decisions based on the different stages of an industry at a given point in time.

Technical analysis is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity.

Charting involves identifying patterns that can suggest future activity in price movements. A chart pattern is a distinct formation on a stock chart that creates a trading signal or a sign of future price movements.

Chartists use these patterns to identify current trends and trend reversals to trigger buy and sell signals. Some of the chart types are Line Charts, Bar Charts, Candlestick, Point and Figure, etc.

Our investment strategies may include long-term and short-term purchases and sales, trading (securities sold within 30 days) and the use of options, margin, and short sales. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in: loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings.

Additionally, these risks may include: market risk, interest rate risk, issuer risk, and general economic risk.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.

Frequent trading can affect portfolio performance, particularly through increased brokerage and other transaction costs (if applicable) and taxes. Infrequent trading can affect portfolio performance, particularly through ongoing fees and other costs (if applicable) that may cost more than trading commissions. Additionally, you should be aware that the use of margin, options and short sales are higher risk strategies. It is possible to lose all of the principal you invest, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested. In a margin account, your risk includes the amount of money invested plus the amount that has been loaned to you. When you short sell, your losses can be infinite.

**Third Party Money Management Services:** Although Teton will seek to select only money managers who will invest the client assets with the highest level of integrity, Teton will have no control over the day-to-day operations of any of its selected money managers. Teton does perform due diligence on all managers chosen. Sources of information include, but not limited to, past performance numbers, risk metrics, background checks on managers, audit checks and reference interviews. Nonetheless, Teton would not necessarily be aware of certain activities at the underlying money manager level, including without limitation the money manager's engagement in unreported risks, investment "style drift" or even fraud. As a result, there can be no assurance that money managers will conform their conduct in a manner that is consistent with Teton's expectations.

Please note that the third-party money managers develop their own investment analyses and strategies. Each third-party money manager will provide to the client a copy of its Form ADV Part 2A which includes information regarding methods of analysis and investment strategies.

#### *Item 8B*

Our investment strategies may include long-term and short-term purchases and sales, trading (securities sold within 30 days) and the use of options, margin, and short sales. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio.

All investments involve risks that can result in: loss of principal, a reduction in earnings (including interest, dividends and other distributions), and the loss of future earnings. Additionally, these risks may include: market risk, interest rate risk, issuer risk, and general economic risk.

#### **Risks Associated with Particular Investments**

Described below are some risks associated with specific types of investments that an investment adviser representative may recommend. Many of these investments are usually sold by use of a prospectus or other offering document. Clients should review those documents carefully for more detailed information regarding risk.

#### **Mutual Funds**

A mutual fund is a company organized to aggregate the funds of individuals investors into a pool that invest in securities such as stocks, bonds, and short-term debt. The assets of the mutual fund are known as its portfolio. Individuals investors purchase shares in the mutual fund. These shares represent the investors ownership in the mutual fund and the income or capital gains that it generates. The combined holdings of the mutual fund are known as its portfolio. Investors buy shares in mutual funds. The investor may lose some or all of the money that they invest because the securities held by a fund can go down in value. Dividends or interest payments may also change as market conditions change. Dividends and/or interest payments may also fluctuate as market conditions fluctuate. Past performance does not guarantee future results.

#### Closed-End Funds

Closed-end funds are illiquid and may not be readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares from time to time. Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds when they desire to do so.

#### Exchange-Traded Funds ("ETFs")

ETFs are typically investment companies that are legally classified as open-end mutual funds or unit investment trusts. However, they differ from traditional mutual funds in that ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the "spread." The spread varies over time based on the ETF's trading volume and market liquidity and is generally lower if the ETF has high trading volume and high market liquidity. Conversely, the spread is generally higher if the ETF has low trading volume and low market liquidity. ETFs may be closed and liquidated at the discretion of the issuing company.

#### Exchange-Traded Notes ("ETNs")

An ETN is a senior unsecured debt obligation designed to track the total return of a particular company, sector, market index or other benchmark. ETNs may be linked to a variety of assets, such as commodity futures, foreign currency and equities. ETNs are similar to ETFs in that they are listed on an exchange and can typically be bought or sold throughout the trading day. An ETN is not a mutual fund and does not have a net asset value. Rather, the ETN trades at the prevailing market price. Some of the more common risks of an ETN are: 1) the repayment of the principal, interest (if any) and the payment of any returns at maturity or upon redemption are dependent upon the ETN issuer's ability to pay; or 2) the trading price of the ETN in the secondary market may be adversely impacted if the issuer's credit rating is downgraded. The asset or asset class to which the ETN is linked may carry specific risks not associated with a particular index or sector. ETNs may be closed and liquidated at the discretion of the issuing company.

#### Bonds, High-Yield Bonds and Other Debt Obligations

High-yield bonds and other debt obligations are issued by companies or municipalities that do not qualify for "investment-grade" ratings by one or more rating agencies. These bonds carry a greater risk of failure to repay both principal and interest and a greater risk of default than those obligations that are rated investment-grade. The potential deterioration of an issuer's financial health or a downgrade in its rating will increase the risk of default. There is also the risk that the bond's market value will decline as interest rates rise and that an investor will not be able to liquidate a bond before maturity.

#### Equities

Investing in individual stocks carries certain risks. Among these risks are Systematic risk - also known as market risk, this is the potential for the entire market to decline. Systematic risk cannot be diversified away. Unsystematic risk - the risk that any one stock may go down in value, independent of the stock market as a whole. Business risk is the possibility a company will have lower than anticipated profits or experience a loss rather than taking a profit. An event risk is the possibility that an unforeseen event will negatively affect a company, industry or security.

Although we manage your portfolio in a manner consistent with your risk tolerances, we cannot guarantee that our efforts will be successful. You should be prepared to bear the risk of loss.



Frequent trading can affect portfolio performance, particularly through increased brokerage and other transaction costs (if applicable) and taxes. Infrequent trading can affect portfolio performance, particularly through ongoing fees and other costs (if applicable) that may cost more than trading commissions. Additionally, you should be aware that the use of margin, options and short sales are higher risk strategies. It is possible to lose all of the principal you invest, and sometimes more. In a cash account, your risk is limited to the amount of money that you have invested. In a margin account, your risk includes the amount of money invested plus the amount that has been loaned to you. When you short sell, your losses can be infinite.

**Third Party Money Management:** Clients should read the Form ADV Part 2A of the respective third-party money manager to understand the investment strategies and methods of analysis employed by the third-party money manager, and the risks associated with those. Prospective investors should carefully consider all risks, as there can be no assurance that the asset management programs by the third-party managers will achieve their respective investment objectives or avoid substantial losses. An investor should not make an investment with the expectation of sheltering income or receiving cash distributions.

*Item 8C*

Teton does not primarily recommend a particular type of security. Teton does not use uncovered options as part of its portfolio composition strategies. Teton does not use leveraged or inverse ETFs as part of its portfolio composition strategies.

---

**DISCIPLINARY INFORMATION**

---

*Item 9: Disciplinary Information*

Item 9A.

Neither Teton nor its principal owners have been involved in a criminal or civil action in a domestic, foreign or military court of competent jurisdiction in which Teton or our management personnel was convicted of, or pled guilty or nolo contendere ("no contest") to any felony; or misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion; or a conspiracy to commit any of these offenses; is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses; was found to have been involved in a violation of an investment-related statute or regulation; or was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, Teton or our management personnel from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order.

Item 9 B.

Neither Teton nor its principal owners have been involved in an administrative proceeding before the SEC, any other federal regulatory agency, any state regulatory agency, or any foreign financial regulatory authority in which Teton or our management personnel was found to have caused an investment-related business to lose its authorization to do business; or was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority denying, suspending, or revoking the authorization of Teton or our management personnel to act in an investment-related business; barring or suspending Teton or our management personnel's association with an investment related business; or otherwise significantly limit Teton's or our management personnel's investment-related activities; or imposed a civil money penalty of more than \$2,500 on Teton or our management personnel.

Item 9 C.

Neither Teton nor its principal owners have been involved in a self-regulatory organization (SRO) proceeding in which Teton nor its management personnel was found to have caused an investment-related business to lose its authorization to do business; or was found to have been involved in a violation of the SRO's rules and was barred or suspended from membership or from association with other members, or was expelled from membership; or otherwise significantly limited from investment-related activities; or was fined more than \$2,500.

## **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### *Item 10: Other Financial Industry Activities and Affiliations*

#### *Item 10 A*

Neither Teton nor its management personnel have an application pending to register as a broker-dealer or as registered representatives of a broker-dealer.

#### *Item 10 B*

Teton is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor. None of the owners nor any member of the management team is registered with a futures commission merchant, commodity pool operator, a commodity trading advisor as a registered representative.

#### *Item 10 C*

Teton does not have nor do any of its management or supervised persons have any relationship or arrangements with any of the following: a broker-dealer, municipal securities dealer, or government securities dealer or broker; an investment company or other pooled investment vehicle (e.g. mutual fund, private fund, etc.); a futures commission merchant, commodity pool operator, or commodity trading advisor; a banking or thrift institution; an accountant or accounting firm; a lawyer or law firm; an insurance company or agency; a pension consultant; a real estate broker or dealer; or a sponsor or syndicator of limited partnerships.

IARs are dually registered with Sowell Management in the capacity of Investment Advisor Representatives. In this capacity they earn advisory fees from the management of client portfolios. Our IARs will continue to offer portfolio management services from Sowell Management. This arrangement presents a conflict of interest because it creates an incentive to recommend programs in which the IAR will receive a fee.

Our IARs are licensed as insurance agents with Teton Wealth Management, LLC and with various insurance companies. These arrangements present a conflict of interest because they create an incentive to make recommendations for the purchase or sale of insurance policies based upon the amount of compensation your IAR can receive rather than based upon your needs. Selection of specific programs, products, or investments may also result in an increase in the total fees and commissions received by the related entities.

As explained under "Fees and Conditions" above, our IARs are licensed as insurance agents with various insurance companies. These arrangements present a conflict of interest because they create an incentive to make recommendations for the purchase or sale of insurance policies based upon the amount of compensation your IAR can receive rather than based upon your needs. Selection of specific programs, products, or investments may also result in an increase in the total fees and commissions received by the related entities.

As previously noted, we will explain the specific costs associated with any recommended investments with you. You have the option to purchase investment and insurance products through other brokers or agents who are not affiliated with us.

#### *Item 10 D*

Our IARs may also recommend various asset management firms through their affiliation with Teton. Teton will ensure that any advisor recommended by the firm is registered either with the Securities and Exchange Commission or the appropriate state agency. If you establish an investment advisory relationship with one of these firms, our IARs may share in the advisory fees you pay to these asset management firms. This arrangement presents a conflict of interest because it creates an incentive to recommend programs in which he will receive a fee.

### **Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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

Teton has a Code of Ethics (“Code”), the full text of which is available to you upon request. Teton’ Code has several goals. First, the Code is designed to assist Teton in complying with applicable laws and regulations governing its investment advisory business. The Code requires persons associated with Teton (managers, officers and employees) to act with honesty, good faith and fair dealing in working with clients. In addition, the Code prohibits such associated persons from trading or otherwise acting on insider information.

Next, the Code sets forth guidelines for professional standards for Teton’s associated persons. Under the Code’s Professional Standards, Teton expects its associated persons to put the interests of its clients first, ahead of personal interests. In this regard, Teton associated persons are not to take inappropriate advantage of their positions in relation to Teton clients.

Third, the Code sets forth policies and procedures to monitor and review the personal trading activities of associated persons. From time to time, Teton’ associated persons may invest in the same securities recommended to clients. Under its Code, Teton has adopted procedures designed to reduce or eliminate conflicts of interest that this could potentially cause. The Code’s personal trading policies include procedures for limitations on personal securities transactions of associated persons, reporting and review of such trading and pre-clearance of certain types of personal trading activities. These policies are designed to discourage and prohibit personal trading that would disadvantage clients. The Code also provides for disciplinary action as appropriate for violations.

Our investment advisors and employees are permitted to buy or sell the same securities for their personal and family accounts that are bought or sold for your account(s). The personal securities transactions by investment advisor and employees may raise potential conflicts of interest when they trade in a security that is: owned by you; or considered for purchase or sale for you. 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 Investment Advisors nor we shall have priority over your account in the purchase or sale of securities.

We have adopted policies and procedures that are intended to address these conflicts of interest. These policies and procedures: receive prior approval from Chief Compliance Officer (CCO) prior to the purchase/sale of any security that is included in our model portfolios; require our investment advisors and employees to act in your best interest; prohibit favoring one client over another; and review of transactions to discover and correct any same-day trades that result in an investment advisor or employee receiving a better price than a client.

Additionally, personal securities transactions by access persons are subject to the following trading restrictions: Access persons are prohibited from acquiring any securities in an initial public offering (IPO) without first obtaining written pre-clearance from the CCO or her designee. The prior approval must take into account, among other factors, whether the investment opportunity should be reserved for clients, and whether the opportunity is being offered to an individual by virtue of their position with Teton.

Upon receiving a request for pre-clearance, the CCO or his designee will review the intended transaction for consideration. The final decision will then be sent in writing to the access person requesting the permission for the IPO. Only upon receipt of the written approval from Teton can the access person then engage in the purchase of the requested IPO. The access person making the request and the CCO or her designee must maintain final written approval or denial for their files.

Access persons are prohibited from acquiring any securities in a limited offering (i.e., private placement) without first obtaining written pre-clearance from the CCO or her designee. The prior approval must consider, among other factors, whether the investment opportunity should be reserved for clients, and whether the opportunity is being offered to an individual by virtue of their position with Teton. Upon receiving a request for pre-clearance, the CCO or her designee will review the intended transaction for consideration. The final decision will then be sent in writing to the access person requesting the permission for the limited offering. Only upon receipt of the written approval from Teton can the access person then engage in the purchase of the requested limited offering. The access person making the request and the CCO or her designee must maintain final written approval or denial for their files.

Investment advisors and employees must follow our procedures when purchasing or selling the same securities purchased or sold for you.

Teton are prohibited from recommending any limited offering (i.e., private placement) in which they have a material financial interest (i.e., majority ownership, board position).

---

## **BROKERAGE PRACTICES**

---

### *Item 12: Brokerage Practices*

Unless directed otherwise, we generally recommend Fidelity as your broker-dealer and as your custodian. That firm will assist us in servicing your account. In recommending Fidelity as a custodian and as the securities brokerage firm responsible for executing transactions for your portfolios, we consider at a minimum the Institution's: financial strength, reputation, reporting capabilities, execution capabilities, pricing, and types and quality of research. Neither Teton nor a related person receives or requests client referrals from a broker-dealer or third party.

### *Item 12 A 1 Research and Other Soft Dollar Benefits*

Teton does not receive Research and Other Soft Dollar Benefits from Fidelity. The determining factor in the selection of a firm to execute transactions for your accounts is not the lowest possible transaction cost, but whether the firm can provide what is in our view the best qualitative execution for your account.

Fidelity may provide us with access to institutional trading and custody services, which includes: brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

We are not required to place a minimum volume of transactions or maintain a minimum dollar amount of client assets to receive these services.

Fidelity does not charge separately for holding our clients' accounts but may be compensated by you through other transaction-related fees associated with the securities transactions it executes for your accounts.

Fidelity may also make available to us other products and services that benefit us but may not benefit you directly. Some of these products and services assist us in managing and administering our client accounts, such as software and other technology that: provide access to account data such as: duplicate trade confirmations, bundled duplicate account statements, and access to an electronic communication network for client order entry and account information; facilitate trade execution, including: access to a trading desk serving advisory participants exclusively and access to block trading which provides the ability to combine securities transactions and then allocate the appropriate number of shares to each individual account; provide research, pricing information and other market data; facilitate payment of our fees from client accounts; and assist with back-office functions, record keeping and client reporting; and receipt of compliance publications.

Fidelity may also make available to us other services intended to help us manage and further develop our business. These services may include: consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing.

Fidelity may also make available or arrange for these types of services to be provided to us by independent third parties. Fidelity may discount or waive the fees it would otherwise charge for some of the services it makes available to us. It may also pay all or a part of the fees of a third party providing these services to us. Thus, we receive economic benefits as a result of our relationship with the firm, because we do not have to produce or purchase the products and services listed above.

Because the amount of our compensation or the products or services we receive may vary depending on the custodian/broker-dealer we recommend to be used by our clients, we may have a conflict of interest in making that recommendation. Our recommendation of specific custodian/broker-dealers may be based in part on the economic benefit to us and not solely on the nature, cost or quality of custody and brokerage services provided to you and our other clients. We nonetheless strive to act in your best interests at all times.

Commissions and other fees for transactions executed through Fidelity may be higher than commissions and other fees available if you use another custodian/broker-dealer firm to execute transactions and maintain custody of your account. We believe, however, that the overall level of services and support provided to our clients by the firm outweighs the benefit of possibly lower transactions cost which may be available under other brokerage arrangements.

#### *Item 12 A 3 Directed Brokerage*

##### *Item 12 A 3 a*

You may direct us, in writing, to use a particular broker-dealer to execute some or all of the transactions for your account.

##### *Item 12 A 3 b*

If you do so, you are responsible for negotiating the terms and arrangements for the account with that broker-dealer. We may not be able to negotiate commissions, obtain volume discounts, or best execution. In addition, under these circumstances a difference in commission charges may exist between the commissions charged to clients who direct us to use a particular broker or dealer and other clients who do not direct us to use a particular broker or dealer.

#### *Item 12 B Aggregated Trading*

We may engage in bunched trading, which is the purchase or sale of a security for the accounts of multiple clients in a single transaction. If a bunched trade is executed, each participating client receives a price that represents the average of the prices at which all of the transactions in a given bunch were executed.

Executing a bunched trade allows transaction costs to be shared equally and on a pro rata basis among all of the participating clients. If the order is not completely filled, the securities purchased or sold are distributed among participating clients on a pro rata basis or in some other equitable manner.

Bunched trades are placed only when we reasonably believe that the combination of the transactions provides better prices for clients than had individual transactions been placed for clients. Transactions for nondiscretionary client accounts are not bunched with transactions for discretionary client accounts. Transactions for the accounts of our employees and advisory representatives may be included in bunched trades. They receive the same average price and pay the same commissions and other transaction costs, as clients. Transactions for the accounts of our advisory representatives or employees will not be favored over transactions for client accounts.

We are not obligated to include any client account in a bunched trade. Your trades will not be included in a bunched trade if doing so is prohibited or otherwise inconsistent with your investment advisory agreement. No client will be favored over any other client.

---

## **REVIEW OF ACCOUNTS**

---

### *Item 13: Review of Accounts*

#### *Item 13 A*

Account reviews are performed no less than annually or more often upon your request by Clayton Alexander, Douglas Ferrell or your IAR or a designee appointed by Mr. Alexander or Mr. Ferrell. We initially review your information to determine whether a particular advisory program or investment strategy is suitable for you. Reviews of investment accounts typically look at portfolio consistency with regard to your risk tolerance, investment time horizon, and performance objectives. Account holdings, transactions, and performance are also reviewed.

#### *Item 13 B*

We also review and update your financial status, goals and objectives on an annual basis to document continued suitability. More frequent account reviews may be requested by you or may be triggered by material changes in your individual circumstances, changes or shifts in the economy, market shifts and corrections. This policy applies to accounts with Sowell Management or any other third-party provider.

#### *Item 13C*

Clients are provided monthly or quarterly account statements from the qualified custodian, depending on the activity in your account. Reports include details of your account holdings, asset allocation, and other transaction information.

---

## **CLIENT REFERRALS AND OTHER COMPENSATION**

---

### *Item 14: Client Referrals and Other Compensation*

#### *Item 14 A*

As part of our investment advisory services, we may recommend that you use the services of a third-party money manager to manage all, or a portion of, your investment portfolio. These third-party money managers will remit to Teton a portion of the fee that they charge your account in the form of a referral or management fee. This arrangement creates a conflict of interest because it creates an incentive to recommend programs in which Teton will receive a fee. We will explain the specific costs associated with any recommended third-party money manager.

*Item 14 B*

Teton does not compensate either unaffiliated or an affiliated solicitor for referring clients.

---

**CUSTODY**

---

*Item 15: Custody*

Teton does not maintain physical custody of client assets. Your assets are maintained by a qualified custodian. You will receive statements from the custodian/broker-dealer that holds your investment account on at least a quarterly basis. You should verify that the transactions in your account are consistent with your investment goals and the objectives for your account. We also encourage you to contact your investment advisor or our CCO should you have any questions or concerns regarding your account. We will adhere to all safeguards to ensure the proper custody of your investment assets.

Teton may only deduct fees with your written authorization, and the amount of any advisory fee deducted is shown on your account statement. It may be deemed to have custody when you authorize Teton to deduct advisory fees directly from your account. You must authorize us to have the custodian/broker-dealer pay us directly by charging your account. Teton may only deduct fees with your written authorization, and the amount of any advisory fee deducted is shown on your account statement. The Financial Institutions that act as the qualified custodian for client accounts, from which the firm retains the authority to directly deduct fees, have agreed to send statements to clients not less than quarterly detailing all account transactions, including any amounts paid to Teton. Teton will send the custodian/broker an invoice or statement of the amount of the fee to be deducted from your account. Fees are deducted monthly in advance. The custodian/broker-dealer provides you with statements that show the amount paid directly to us. You should review and verify the calculation of our fees. The custodian/broker-dealer does not verify the accuracy of fee calculations.

Teton currently has custody of Client assets, where the Client gives the Teton authority to move money from one account to another account. The Custodian and the Firm have adopted safeguards to ensure that the money movements are completed in accordance with the Client's instructions. Teton is not required to undergo a custody audit by a Public Company Accounting Oversight Board (PCAOB) accounting firm.

---

**INVESTMENT DISCRETION**

---

*Item 16: Investment Discretion*

We offer our advisory services on a discretionary and non-discretionary basis. Discretionary means that we do not need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts. Non-discretionary means that we need advance approval from you to determine the type and amount of securities to be bought and sold for your accounts.

Additionally, we do not have the ability to withdraw funds from your account (other than to withdraw our advisory fees, which may only be done with your prior written authorization.) This discretion is used in a manner consistent with the stated investment objectives for your account, if you have given us written authorization to do so. We only exercise discretion in accounts where we have been authorized by you. This authorization is typically included in the investment advisory agreement you enter into with us.

Clients can also place reasonable limitations on the discretionary authority granted to Teton, so long as such limitations are specifically set forth in writing.

---

## VOTING CLIENT SECURITIES

---

### *Item 17: Voting Client Securities*

#### *Item 17 B*

We do not take any action or give any advice with respect to voting of proxies solicited by or with respect to the issuers of securities in which your accounts may be invested. In addition, we do not take any action or give any advice with respect to any securities held in any accounts that are named in or subject to class action lawsuits. We will, however, forward to you any information received by us regarding proxies and class action legal matters involving any securities held in your accounts.

---

## FINANCIAL INFORMATION

---

### *Item 18: Financial Information*

#### *Item 18 A*

We do not require prepayment of more than \$1000 in fees per client, six months or more in advance.

#### *Item 18 B*

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you.

#### *Item 18 C*

We have not been the subject of a bankruptcy proceeding.

### *Business Continuity Plan*

Teton has a written Business Continuity Plan in place to ensure that in the event there are business interruptions we are able to meet our obligations to our clients.

Teton has a business continuity and contingency plan in place designed to respond to significant business disruptions. These disruptions can be both internal and external. Internal disruptions will impact our ability to communicate and do business, such as a fire in the office building. External disruptions will prevent the operation of the securities markets or the operations of a number of firms, such as earthquakes, wildfires, hurricanes, terrorist attack or other wide-scale, regional disruptions.

Our continuity and contingency plan have been developed to safeguard employees' lives and firm property, to allow a method of making financial and operational assessments, to quickly recover and resume business operations, to protect books and records, and to allow clients to continue transacting business.

The plan includes the following: the ability for staff to work remotely in order to conduct business operations in a seamless fashion; electronic back-ups of records; Alternative means of communications with employees, clients, critical business constituents and regulators. Our business continuity and contingency plan is reviewed and updated on a regular basis to ensure that the policies in place are sufficient and operational.