



**1490 S. Price Road – Suite 303  
Chandler, AZ 85286**

**Firm Contact:  
Michael McGinley  
Chief Compliance Officer**

**Phone: (480) 704-3024**

**Firm Website Address:  
[www.ProvidusAdvisors.com](http://www.ProvidusAdvisors.com)**

This brochure provides information about the qualifications and business practices of Providus Advisors, LLC (hereinafter referred to as the "Adviser", "us", "we", or "our firm"). If you have any questions about the contents of this brochure, please contact us by telephone or email at [info@providusadvisors.com](mailto:info@providusadvisors.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.

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

Please note that the use of the term "registered investment adviser" and description of Providus Advisors, LLC and/or our associates as "registered" does not imply a certain level of skill or training. You are encouraged to review this Brochure and Brochure Supplements for our firm's associates who advise you for more information on the qualifications of our firm and our employees.

---

## ITEM 2: MATERIAL CHANGES TO OUR PART 2A OF FORM ADV: FIRM BROCHURE

Providus Advisors, LLC (referred to below as “Providus”, “Adviser” or “we”) is required to advise you of any material changes to our Firm Brochure (“Brochure”) from our last annual update, identify those changes on the page immediately following the cover page, or in a separate communication accompanying our Brochure. We must state clearly that we are discussing only material changes since the last annual update of our Brochure, and we must provide the date of the last annual update of our Brochure.

**Last Annual Updating Amendment:** March 2, 2018

Since Providus’ most recent Annual Amendment filing on March 2, 2018, this Brochure has been amended as follows:

- At Item 4 to revise disclosure language related to financial planning limitations and retirement plan rollovers
- At Item 4 to add disclosure language related to non-discretionary services limitations
- At Item 4 to remove inapplicable disclosure language related to retirement clients
- At Item 5 to revise disclosure language related to fee dispersion
- At Item 7 to reflect a new minimum account size requirement
- At Item 10 to reflect a new arrangement with Smartasset™
- At Item 12 to revise disclosure language related to brokerage practices
- At Item 17 to reflect a change in proxy voting policy

**ANY QUESTIONS:** Adviser’s Chief Compliance Officer, Michael McGinley, remains available to address any questions regarding this Part 2A, including the disclosure additions and enhancements below.

---

## ITEM 3: TABLE OF CONTENTS

<u>Section:</u>	<u>Page(s):</u>
Form ADV Part 2A – Firm Brochure .....	1
Item 1: Cover Page .....	1
Item 2: Material Changes to Our Part 2A of Form ADV: Firm Brochure .....	2
Item 3: Table of Contents .....	3
Item 4: Advisory Business.....	4
Item 5: Fees & Compensation.....	7
Item 6: Performance-Based Fees & Side-By-Side Management.....	8
Item 7: Types of Clients & Account Requirements .....	8
Item 8: Methods of Analysis, Investment Strategies & Risk of Loss .....	9
Item 9: Disciplinary Information.....	10
Item 10: Other Financial Industry Activities & Affiliations.....	10
Item 11: Code of Ethics, Participation or Interest in Client Transactions, and Personal Trading .....	10
Item 12: Brokerage Practices .....	11
Item 13: Review of Accounts or Financial Plans.....	13
Item 14: Client Referrals & Other Compensation.....	13
Item 15: Custody.....	14
Item 16: Investment Discretion.....	14
Item 17: Voting Client Securities.....	14
Item 18: Financial Information.....	14

---

## ITEM 4: ADVISORY BUSINESS

### A. Description of our advisory firm, including how long we have been in business and our principal owner(s)<sup>1</sup>.

We are dedicated to providing individuals and other types of clients with a wide array of investment advisory services. Our firm is a limited liability company formed in the State of Arizona and has been in business as an investment adviser since 2005. The firm is owned as follows:

Michael McGinley – 51%

James Dwyer – 49%

### B. Description of the Types of Advisory Services We Offer.

#### (i) Asset Management:

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of exchange traded funds (“ETFs”), mutual funds and closed-end mutual funds. The client’s individual investment strategy is tailored to their specific needs and may include some or all of the previously mentioned securities. Each portfolio will be initially designed to meet a particular investment goal, which we determine to be suitable to the client’s circumstances. Once the appropriate portfolio has been determined, we review the portfolio regularly and if necessary, rebalance the portfolio based upon the client’s individual needs, stated goals and objectives. Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio.

Our firm also may render non-discretionary investment management services to clients relative to: (1) the investment sub-divisions that comprise a variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. In so doing, our firm either directs or recommends the allocation of client assets among the various mutual fund subdivisions that comprise the variable life/annuity product or the retirement plan. The client assets shall be maintained at either the specific insurance company that issued the variable life/annuity product which is owned by the client, or at the custodian designated by the sponsor of the client’s retirement plan.

#### (ii) Financial Planning & Non-Investment Consulting/Implementation Services:

To the extent requested by a client, we may provide financial planning and related consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. We do not serve as a law firm, accounting firm, or insurance agency, and no portion of our services should be construed as legal, accounting, or insurance implementation services. Accordingly, we do not prepare estate planning documents, tax returns or sell insurance products. To the extent requested by a client, we may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.). Clients are reminded that they are under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation made by us or our representatives. **Please Note:** If the client engages any professional, recommended or otherwise, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from the engaged professional. At all times, the engaged licensed professional(s), and not Providus, shall be responsible for the quality and competency of the services provided.

---

<sup>1</sup> Please note that: (1) For purposes of this item, our principal owners include the persons we list as owning 25% or more of our firm on Schedule A of Part 1A of Form ADV (Ownership Codes C, D or E). (2) If we are a publicly held company without a 25% shareholder, we simply need to disclose that we are publicly held. (3) If an individual or company owns 25% or more of our firm through subsidiaries, we must identify the individual or parent company and intermediate subsidiaries. If we are a state-registered adviser, on Form ADV Part 2A Page 2, we must identify all intermediate subsidiaries. If we are an SEC-registered adviser, we must identify intermediate subsidiaries that are publicly held, but not other intermediate subsidiaries.

(iii) Retirement Plan Consulting Services

We also provide Retirement Plan consulting Services, pursuant to which we assist sponsors of self-directed retirement plans with the discretionary or non-discretionary selection and monitoring of investment alternatives (generally open-end mutual funds) from which plan participants shall choose in self-directing the investments for their individual plan retirement accounts. These investment alternatives may also include our own proprietary models, which are actively managed on a discretionary basis. In addition, to the extent requested by the plan sponsor, we shall also provide participant education designed to assist participants in identifying the appropriate investment strategy for their retirement plan accounts. The terms and conditions of the engagement shall generally be set forth in a Retirement Plan Consulting Agreement between us and the plan sponsor.

**Client Obligations.** In performing our services, we shall not be required to verify any information received from the client or from the client's other designated professionals, and are expressly authorized to rely thereon. Moreover, each client is advised that it remains their responsibility to promptly notify us if there is ever any change in their financial situation or investment objectives for the purpose of reviewing/evaluating/revising our previous recommendations and/or services.

**Please Note: Investment Risk.** Different types of investments involve varying degrees of risk, and it should not be assumed that future performance of any specific investment or investment strategy (including the investments and/or investment strategies recommended or undertaken by us) will be profitable or equal any specific performance level(s).

**Non-Discretionary Services Limitations.** Clients that determine to engage Providus on a non-discretionary investment advisory basis must be willing to accept that Providus cannot effect any account transactions without obtaining prior consent to any such transaction(s) from the client. Thus, in the event that Providus would like to make a transaction for a client's account, and client is unavailable, Providus will be unable to effect the account transaction (as it would for its discretionary clients) without first obtaining the client's consent.

**Retirement Plan Rollovers – No Obligation / Conflict of Interest.** A client or prospective client leaving an employer typically has four options regarding an existing retirement plan (and may engage in a combination of these options): (i) leave the money in the former employer's plan, if permitted, (ii) roll over the assets to the new employer's plan, if one is available and rollovers are permitted, (iii) roll over to an Individual Retirement Account ("IRA"), or (iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). If Adviser recommends that a client roll over their retirement plan assets into an account to be managed by Adviser, such a recommendation creates a conflict of interest if Adviser will earn new (or increase its current) compensation as a result of the rollover. **No client is under any obligation to roll over retirement plan assets to an account managed by Adviser. The Adviser's Chief Compliance Officer, Michael McGinley, remains available to address any questions that a client or prospective client may have regarding the potential for conflict of interest presented by such rollover recommendation.**

**Please Note-Use of Mutual Funds/ETFs:** Most mutual funds and exchange-traded funds are available directly to the public. Thus, a prospective client can obtain many of the funds that maybe utilized by Adviser independent of engaging Adviser as an investment advisor. However, if a prospective client determines to do so, he/she will not receive Adviser's initial and ongoing investment advisory services. In addition to Adviser's investment management fee described above, transaction and/or custodial fees discussed below at Item 5, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). **Adviser's Chief Compliance Officer, Michael McGinley, remains available to address any questions that a client or prospective client may have regarding the above.**

**Fidelity.** As discussed below at Item 12, when requested to recommend a broker-dealer/custodian for client accounts, Adviser generally recommends that Fidelity serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Fidelity charge transaction fees for effecting securities transactions. In addition to Adviser's investment advisory fee and transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). The fees charged by Fidelity, or any broker-dealer/custodian directed by the client, are in addition to Adviser's advisory fee referenced in Item 5 below.

**Portfolio Activity.** Adviser has a fiduciary duty to provide services consistent with the client's best interest. As part of its investment advisory services, Adviser 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, account additions/withdrawals, style drift, and/or a change in the client's investment objective. Based upon these factors, there may be extended periods of time when Adviser determines that changes to a client's portfolio are neither necessary nor prudent. Of course, as indicated below, there can be no assurance that investment decisions made by Adviser will be profitable or equal any specific performance level(s).

**Account Aggregation Platforms.** We may provide our clients with access to online account aggregation platforms. These platforms allows a client to view their complete asset allocation, including those assets that we do not manage (the "Excluded Assets"). We do not provide investment management, monitoring, or implementation services for the Excluded Assets. Therefore, we shall not be responsible for the investment performance of the Excluded Assets. Rather, the client and/or their advisor(s) that maintain management authority for the Excluded Assets, and not we, shall be exclusively responsible for such investment performance. The client may choose to engage us to manage some or all of the Excluded Assets pursuant to the terms and conditions of an Investment Advisory Agreement between us and the client. The aggregation platforms also provide access to other types of information, including financial planning concepts, which should not, in any manner whatsoever, be construed as services, advice, or recommendations provided by us. Finally, we shall not be held responsible for any adverse results a client may experience if the client engages in financial planning or other functions available on the aggregation platforms without our assistance or oversight.

C. Explanation of whether and, if so, how we tailor our advisory services to the individual needs of clients, and whether clients may impose restrictions on investing in certain securities or types of securities.

- (i) We offer individualized investment advice to clients utilizing the Asset Management and general investment advice to clients utilizing the Financial Planning & Consulting service.
- (ii) Each client has the opportunity to place reasonable restrictions on the types of investments to be held in the portfolio. Restrictions on investments in certain securities or types of securities may not be possible due to the level of difficulty this would entail in managing the account. Restrictions would be limited to our Asset Management service. We do not manage assets through our Financial Planning and Consultation service.

D. Participation in Wrap Fee Programs.

We do not offer wrap fee programs.

E. Disclosure of the amount of client assets we manage on a discretionary basis and the amount of client assets we manage on a non-discretionary basis.

We manage<sup>2</sup> \$112,632,961 on a discretionary basis and have \$33,983,923 in retirement plan assets under advisement as of December 31, 2018.

---

## ITEM 5: FEES & COMPENSATION

### A. Description of how we are compensated for our advisory services provided to you.

#### (i) Asset Management:

<b>Assets Under Management</b>	<b>Annual Percentage of Assets Charge*</b>
\$0 to \$249,999.99	1.50%
\$250,000 to \$499,999.99	1.25%
\$500,000 to \$999,999.99	1.00%
\$1,000,000 to \$2,999,999.99	0.75%
\$3,000,000 to \$9,999,999.99	0.50%
Above \$10,000,000	0.35%

\*Our firm's fees are billed on a pro-rata annualized basis quarterly in arrears based on the value of your account on the last day of the quarter.

We may, in our sole discretion, charge a lesser investment management fee and/or a fixed fee based upon certain criteria (including, but not limited to, the representative assigned to the account, the amount of assets to be invested, the complexity of the engagement, the anticipated number of meetings and servicing needs, related accounts, future earning capacity, anticipated future additional assets, and negotiations with the client). See disclosure at Item 7 below. As a result, similar clients could pay different fees, which will correspondingly impact a client's net account performance. Moreover, the services to be provided by us to any particular client could be available from other advisers at lower fees. All clients and prospective clients should be guided accordingly.

#### (ii) Financial Planning & Consulting:

We may charge on an hourly or flat fee basis for financial planning and consulting services. The total estimated fee, as well as the ultimate fee that we charge you, is based on the scope and complexity of our engagement with you. Our hourly fees are \$200 for financial advisors. Flat fees generally range from \$500 to \$10,000.

#### (iii) Retirement Plan Consulting Services:

The terms and conditions of our Retirement Plan Consulting Services shall generally be set forth in a Retirement Plan Consulting Agreement between us and the plan sponsor. Our negotiable retirement plan consulting fees generally range between negotiable and 0.80% of the value of plan assets, depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s).

### B. Description of whether we deduct fees from clients' assets or bill clients for fees incurred.

#### (i) Asset Management:

---

<sup>2</sup> Please note the amount of assets we manage may be disclosed by rounding to the nearest \$100,000. Our "as of" date must not be more than three months before the date we last updated our Brochure in response to Item 4.E of Form ADV Part 2A.

Fees will generally be automatically deducted from your managed account (in rare cases, we will agree to bill clients directly). As part of this process, you understand and acknowledge the following:

- a) Your independent custodian sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in your account including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;

(ii) Financial Planning & Consulting:

When providing financial planning and consulting services on a fee- basis, we will generally (with exceptions in our discretion) require a retainer of fifty-percent (50%) of the ultimate financial planning or consulting fee with the remainder of the fee directly billed to you and due to us within thirty (30) days of your financial plan being delivered or consultation rendered to you. In all cases, we will not require a retainer exceeding \$1200 when services cannot be rendered within 6 (six) months.

(iii) Retirement Plan Consulting:

Fees will generally be automatically deducted from assets of the plan (in rare cases, we may agree to bill the plan and/or plan sponsor directly). As part of this process, you understand and acknowledge the following:

- a) Your independent custodian/recordkeeper sends statements at least quarterly to you showing the market values for each security included in the Assets and all disbursements in the plan including the amount of the advisory fees paid to us;
- b) You provide authorization permitting us to be directly paid by these terms;

C. Description of any other types of fees or expenses clients may pay in connection with our advisory services, such as custodian fees or mutual fund expenses.

Clients will incur transaction charges for trades executed in their accounts. These transaction fees are separate from our fees and will be disclosed by the firm that the trades are executed through. Also, clients will pay the following separately incurred expenses, which we do not receive any part of: charges imposed directly by a mutual fund, index fund, or exchange traded fund which shall be disclosed in the fund's prospectus (i.e., fund management fees and other fund expenses).

D. We must disclose if clients' advisory fees are due quarterly in advance. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

The investment management agreement between our firm and the client will continue in effect until terminated by either party pursuant to the terms of the agreement. Since our firm charges fees quarterly in arrears, the final fee shall be prorated through the date of termination and any remaining balance shall be charged to the client in a timely manner.

E. Commissionable Securities Sales.

We do not sell securities for a commission in our advisory accounts.

---

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

We do not accept performance-based fees.

---

## ITEM 7: TYPES OF CLIENTS & ACCOUNT REQUIREMENTS



We have the following types of clients:

- Individuals and High Net Worth Individuals
- Trusts, Estates or Charitable Organizations
- Pension and Profit Sharing Plans

We generally require an account minimum of \$250,000 for our investment advisory services. However, we, in our sole discretion, may waive or reduce our account minimum requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with you, etc.). **ANY QUESTIONS:** Adviser's Chief Compliance Officer, Michael McGinley, remains available to address any questions that a client or prospective client may have regarding advisory fees.

---

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

### A. Description of the methods of analysis and investment strategies we use in formulating investment advice or managing assets.

#### Methods of Analysis:

- Fundamental;
- Technical;
- Cyclical.

#### Investment Strategies We Use:

- Long Term Purchases (Securities Held At Least a Year);
- Short Term Purchases (Securities Sold Within a Year);

#### **Please Note:**

Investing in securities involves risk of loss that clients should be prepared to bear. While the stock market may increase and your account(s) could enjoy a gain, it is also possible that the stock market may decrease and your account(s) could suffer a loss. It is important that you understand the risks associated with investing in the stock market, are appropriately diversified in your investments, and ask us any questions you may have.

The following are the types of risk that may arise to clients due to the types of securities that are recommended to or purchased for clients or the investment strategies used by our firm:

*Business Risk* – the risk that the price of an investment will change due to factors unique to that company, investment or market segment and not the market in general.

*Liquidity Risk* – the risk associated with the ease of being able to quickly convert the value of a security into an equivalent amount of cash. For example, money market funds are readily convertible (liquid) while certain limited partnership units or real estate are not.

*Financial Risk* – the risk to specific companies' future earnings due to their use of debt. Companies that borrow money must pay it back at some future date, plus the interest charges. This increases the uncertainty about the company because it must have enough income to pay back this amount at some time in the future.

*Exchange Rate (Currency) Risk* – the risk that investors in foreign investments may be subject to different exchange rates at the time they wish to convert investment proceeds back to their home

currency. If exchange rate risk is high, even though substantial profits may have been made in the foreign markets, a less favorable exchange rate may reduce or eliminate these profits.

*Country (Political) Risk* – the risk that a major change in the political or economic environment of a foreign country may devalue investments made in that country. This risk is usually restricted to emerging or developing countries that do not have stable economic or political environments.

*Market Risk* – the risk that the price of a particular investment will change as a result of overall market conditions that are not specific to that particular company or investment.

*Interest Rate Risk* – the risk that interest rate changes will affect the price of a particular investment. For example, when interest rates rise, the price of bonds generally fall.

- B. If our firm primarily recommends a particular type of security, we must explain the material risks involved. If the type of security involves significant or unusual risks, we must discuss these risks in detail.

We generally invest client's cash balances in money market funds, FDIC Insured Certificates of Deposit, high-grade commercial paper and/or government backed debt instruments. Ultimately, we try to achieve the highest return on our client's cash balances through relatively low-risk conservative investments. In most cases, at least a partial cash balance will be maintained in a money market account so that our firm may debit advisory fees for our services related to Asset Management, as applicable.

---

## ITEM 9: DISCIPLINARY INFORMATION

We have no legal or disciplinary events to disclose that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

---

## ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

We have no other financial industry activities and affiliations to disclose.

---

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

- A. Brief description of our Code of Ethics adopted pursuant to SEC rule 204A-1 and offer to provide a copy of our Code of Ethics to any client or prospective client upon request.

We recognize that the personal investment transactions of members and employees of our firm demand the application of a high Code of Ethics and require that all such transactions be carried out in a way that does not endanger the interest of any client. At the same time, we believe that if investment goals are similar for clients and for members and employees of our firm, it is logical and even desirable that there be common ownership of some securities.

Therefore, in order to prevent conflicts of interest, we have in place a set of procedures (including a pre-clearing procedure) with respect to transactions effected by our members, officers and employees for their personal accounts<sup>3</sup>. In order to monitor compliance with our personal trading policy, we have a quarterly securities transaction reporting system for all of our associates.

---

<sup>3</sup> For purposes of the policy, our associate's personal account generally includes any account (a) in the name of our associate, his/her spouse, his/her minor children or other dependents residing in the same household, (b) for which our associate is a trustee or executor, or (c) which our

Furthermore, our firm has established a Code of Ethics which applies to all of our associated persons. An investment adviser is considered a fiduciary. As a fiduciary, it is an investment adviser's responsibility to provide fair and full disclosure of all material facts and to act solely in the best interest of each of our clients at all times. Our fiduciary duty is considered the core underlying principle for our Code of Ethics which also includes Insider Trading and Personal Securities Transactions Policies and Procedures. We require all of our supervised persons to conduct business with the highest level of ethical standards and to comply with all federal and state securities laws at all times. Upon employment or affiliation and at least annually thereafter, all supervised persons will sign an acknowledgement that they have read, understand, and agree to comply with our Code of Ethics. Our firm and supervised persons must conduct business in an honest, ethical, and fair manner and avoid all circumstances that might negatively affect or appear to affect our duty of complete loyalty to all clients. This disclosure is provided to give all clients a summary of our Code of Ethics. If a client or a potential client wishes to review our Code of Ethics in its entirety, a copy will be provided upon request.

- B. If our firm or a related person recommends to clients, or buys or sells for client accounts, securities in which our firm or a related person has a material financial interest (excluding an interest as a shareholder of an SEC-registered, open-end investment company), we must describe our practice and discuss the conflicts of interest it presents.

See Item 11A of this Brochure and our Code of Ethics for specifics. Generally speaking, related persons may invest in the same securities as our clients. If a related person's account is directly managed by us, the account will be monitored, managed and reported on as any other client account of similar risk profile.

- C. If our firm or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that our firm or a related person recommends to clients, we are required to describe our practice and discuss the conflicts of interest this presents and generally how we address the conflicts that arise in connection with personal trading.

See Item 11A of this Brochure. Related persons of our firm may buy or sell securities and other investments that are also recommended to clients. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics, a copy of which is available upon request.

- D. If our firm or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for our firm's (or the related person's own) account, we are required to describe our practice and discuss the conflicts of interest it presents as well as how we address conflicts that arise.

See Item 11A of this brochure. Related persons of our firm may buy or sell securities for themselves at or about the same time they buy or sell the same securities for client accounts. In order to minimize this conflict of interest, our related persons will place client interests ahead of their own interests and adhere to our firm's Code of Ethics.

---

## ITEM 12: BROKERAGE PRACTICES

- A. In the event that you request that we recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct us to use a specific broker-dealer/custodian), we generally recommend that investment management accounts be maintained at *Fidelity*. Prior to engaging us to provide investment management services, you will be required to enter into a formal *Investment Advisory Agreement* with us setting forth the terms and conditions under which we shall

---

associate controls, including our client accounts which our associate controls and/or a member of his/her household has a direct or indirect beneficial interest in.

manage your assets, and a separate custodial/clearing agreement with the designated broker-dealer/custodian.

Factors that we consider in recommending *Fidelity* (or any other broker-dealer/custodian, investment platform, unaffiliated investment manager, mutual fund sponsor, or vendor) to you include historical relationship with us, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by you shall comply with our duty to obtain best execution, you may pay a commission and/or transaction fee that is higher than another qualified broker-dealer might charge to effect the same transaction where we determine, in good faith, that the commission/transaction fee is reasonable. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although we will seek competitive rates, we may not necessarily obtain the lowest possible commission/transaction rates for your account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, our investment management fee. Our best price execution responsibility is qualified if securities that it purchases for your accounts are mutual funds that trade at net asset value as determined at the daily market close.

#### Non-Soft Dollar Research and Benefits

Although not a material consideration when determining whether to recommend that you utilize the services of a particular broker-dealer/custodian, we can receive from *Fidelity* (or another broker-dealer/custodian, investment manager, platform or fund sponsor) without cost (and/or at a discount) support services and/or products, certain of which assist us to better monitor and service your accounts maintained at such institutions. Included within the support services that can be obtained by us may be investment-related research, pricing information and market data, software and other technology that provide access to your 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 us in furtherance of our investment advisory business operations.

Certain of the above support services and/or products assist us in managing and administering your accounts. Others do not directly provide such assistance, but rather assist us to manage and further develop our business enterprise.

Our clients do not pay more for investment transactions effected and/or assets maintained at *Fidelity* as a result of this arrangement. There is no corresponding commitment made by us to *Fidelity* or any other entity to invest any specific amount or percentage of your assets in any specific mutual funds, securities or other investment products as result of the above arrangement.

Our Chief Compliance Officer, Michael McGinley, remains available to address any questions that you may have regarding the above arrangement and the y corresponding conflict of interest such arrangement may create.

**Directed Brokerage:** We generally do not accept directed brokerage arrangements. In such directed arrangements, you direct us to utilize a specific broker-dealer for account transactions. In such event, you will be responsible for negotiating the terms and arrangements for your account with your directed broker-dealer, and we will not seek better execution services or prices from your directed broker-dealer or be able to "batch" your transactions with orders for other accounts that we manage. As a result, you may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. **Please Note:** In the event that you direct us to effect securities transactions for your accounts through a specific broker-dealer, you correspondingly acknowledge that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had you determined to effect account transactions through

alternative clearing arrangements that may be available through us. Higher transaction costs adversely impact account performance. **Please Also Note:** Transactions for directed accounts will generally be executed following the execution of portfolio transactions for non-directed accounts.

- B. To the extent that we provide investment management services to a client, the transactions for each client account generally will be effected independently, unless we decide to purchase or sell the same securities for several clients at approximately the same time. We may (but we are not obligated to) combine or “bunch” such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among our clients, differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. We shall not receive any additional compensation or remuneration as a result of such aggregation.

---

### ITEM 13: REVIEW OF ACCOUNTS OR FINANCIAL PLANS

- A. Review of client accounts or financial plans, along with a description of the frequency and nature of our review, and the titles of our employees who conduct the review.

We review accounts on an ongoing basis for our clients subscribing to the Asset Management service. The nature of these reviews is to learn whether clients’ accounts are in line with their investment objectives, appropriately positioned based on market conditions, and investment policies, if applicable. Only our Financial Advisors or Portfolio Managers will conduct reviews.

Financial Planning clients do not receive reviews of their written plans unless they take action to schedule a financial consultation with us. We do not provide ongoing services to financial planning clients, but are willing to meet with such clients upon their request to discuss updates to their plans, changes in their circumstances, etc.

- B. Review of client accounts on other than a periodic basis, along with a description of the factors that trigger a review.

We may review client accounts more frequently than described above. Among the factors which may trigger an off-cycle review are major market or economic events, the client’s life events, requests by the client, etc.

- C. Description of the content and indication of the frequency of written or verbal regular reports provided to clients regarding their accounts.

Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian for their accounts. Additionally, we may also provide a written periodic report summarizing account activity and performance.

---

### ITEM 14: CLIENT REFERRALS & OTHER COMPENSATION

- A. Economic benefits provided by someone other than a client.

As indicated at Item 12 above, Adviser may receive from *Fidelity* without cost (and/or at a discount), support services and/or products. Adviser’s clients do not pay more for investment transactions effected and/or assets maintained at *Fidelity* as result of this arrangement. There is no corresponding commitment made by Adviser to *Fidelity*, 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. **ANY QUESTIONS: Our Chief Compliance Officer, Michael McGinley, remains available to address any questions that a client or prospective client may have regarding the above arrangement and the corresponding conflict of interest presented by such arrangement.**

B. Compensation paid in exchange for client referrals.

Providus has entered into an agreement with Smartasset™ to provide Providus with leads for prospective clients. Smartasset™ is a lead generation service that connects investors with financial advisors. Providus pays an amount per lead generated to Smartasset™. Providus clients do not pay increased fees as a result of this arrangement.

---

#### ITEM 15: CUSTODY

We shall have the ability to deduct our advisory fee from the client's *Fidelity* account on a quarterly basis. Clients are provided with written transaction confirmation notices, and a written summary account statement directly from *Fidelity*, at least quarterly. **Please Note:** To the extent that we provide clients with periodic account statements or reports, the client is urged to compare any statement or report provided by us with the account statements received from the account custodian. **Please Also Note:** The account custodian does not verify the accuracy of our advisory fee calculation.

---

#### ITEM 16: INVESTMENT DISCRETION

While our firm generally manages client accounts on a discretionary basis, we may also render nondiscretionary investment management services to clients relative to investment options in: (1) variable life/annuity products that they may own, and/or (2) their individual employer-sponsored retirement plans. When providing our firm with discretionary authorization, our firm's authority only includes the discretion to select the security, the number of shares or dollar amount, the price and the time of the transaction.

Clients who engage us on a discretionary basis may, at anytime, impose restrictions, in writing, on our discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, etc.).

---

#### ITEM 17: VOTING CLIENT SECURITIES

- A. Providus does not vote client proxies. Clients maintain exclusive responsibility for: (1) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted, and (2) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceedings or other type events pertaining to the client's investment assets.
- B. Clients will receive their proxies or other solicitations directly from their custodian. Clients may contact Providus to discuss any questions they may have with a particular solicitation.

---

#### ITEM 18: FINANCIAL INFORMATION

We do not require nor do we solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore we have not included a balance sheet for our most recent fiscal year. Additionally, we do not have any financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients.

**ANY QUESTIONS: Our Chief Compliance Officer, Michael McGinley, remains available to address any questions regarding this Part 2A.**