

TRIUMPH CAPITAL MANAGEMENT

FORM ADV PART 2A BROCHURE

November 26, 2019

This brochure provides information about the qualifications and business practices of Triumph Capital Management. You should review this brochure to understand your relationship with our firm and your Investment Advisor Representative. If you have any questions about the contents of this brochure, please contact us at (720) 399-5555. 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. Triumph Capital Management is a Registered Investment Adviser. Registration with the United States Securities and Exchange Commission or any state securities authority does not imply a certain level of skill or training.

Additional information about Triumph Capital Management is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Triumph Capital Management is 282814.

Triumph Capital Management

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Website: www.TriumphCapitalManagement.com



ITEM 2: MATERIAL CHANGES

Below are material changes that have been made to this brochure since the date of our last annual update.

Item 4: Several changes were made to the Managed by Triumph Capital at Security Benefit program. Four specific models are now available within the program. These are the Tactical model, Conservative model, Moderate model, and Aggressive model.

Item 4: Triumph Capital Management Turnkey Asset Management program was added to Advisory Business. This program offers portfolio management solutions to clients and Financial Professionals.

Item 5: Several changes were made to better define our services to clients and the fees associated with those services. Triumph Capital Management updated the Turnkey Asset Management program fees.

If you would like another copy of this Brochure, please download it from the SEC website as indicated above or you may contact our Chief Compliance Officer, Brandon Drespling, at (720) 399-5555 or BrandonD@TriumphCapitalManagement.com



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ITEM 4: ADVISORY BUSINESS

This Disclosure document is being offered to you by Triumph Capital Management (“TCM”) in connection with the investment advisory services TCM provides. This ADV Part 2A discloses information about the services that are provided by TCM and its Investment Advisor Representative’s (“IAR”) and the way those services are made available to you, the client.

TCM is an investment management firm with office sites located in Denver, CO, Canon City, CO, Fort Collins, CO, Louisville, CO, and Malibu, CA. TCM’s headquarters is located at 1610 Wynkoop Street, Suite 550, Denver, CO 80202. TCM specializes in investment advisory services for high-net-worth individuals, families, trusts, estates, retirement accounts, pension plans, and profit-sharing plans. The firm was established by Mr. Derek Eichenwald, the firm’s principal owner, in 2016.

We are committed to helping clients build, manage, and preserve their wealth, and to provide assistance that helps clients achieve their stated financial goals. TCM may offer an initial complimentary meeting upon our discretion; however, investment advisory services are initiated only after you and TCM execute an engagement letter or TCM’s client agreement forms.

- Website: www.TriumphCapitalManagement.com
- Facebook: www.facebook.com/triumphcapitalmanagement
- Twitter: http://twitter.com/triumph_info
- LinkedIn: <https://www.linkedin.com/company/3268630/>
- YouTube: <https://www.youtube.com/channel/UCKC2QdvgrAFASQ40INw>

Investment Management and Supervision Services

TCM offers discretionary investment management and investment supervisory services for a fee based on a percentage of your assets that are under management. These services include investment analysis, allocation of investments, quarterly and monthly portfolio statements, financial commentaries, and ongoing monitoring of client portfolios.

TCM will help in determining your portfolio composition based on your needs, your portfolio restrictions, if any, your financial goals and your risk tolerances. TCM will work with you to obtain necessary information regarding your financial condition, investment objectives, liquidity requirements, risk tolerance, time horizons, and any restrictions on investing. This information enables TCM to determine the portfolio best suited for your investment objectives and needs.

In performing our services, TCM shall not be required to verify any information received from you or from other professionals about you. If you request, TCM may recommend and engage the services of other professionals for implementation purposes. You have the right to decide whether to engage the services of any such recommended professional.

Once TCM has determined the types of investments to be included in your portfolio and allocated them, TCM will then provide ongoing portfolio reviews and management services to you. This approach requires us to review your portfolio periodically.



Our advisory services are tailored to meet the needs of our clients and seek to ensure that client portfolios are managed in a manner consistent with those needs and objectives. You will have the ability to leave standing instructions with us to refrain from investing industries or invest in limited amounts of securities in the investment management agreement.

In all cases, you have a direct and beneficial interest in your securities, rather than an undivided interest in a pool of securities. TCM has limited authority to direct the custodian to deduct our investment advisory fees from your accounts, but only with the appropriate authorization from you as indicated on your agreement with TCM.

You are advised and are expected to understand that our past performance is not a guarantee of future results. Certain market and economic risks exist that may adversely affect an account's performance. This could result in capital losses in your account. Risks are further described in Item 8 of this Brochure.

For assets held in a multi-participant 401(k) account, TCM offers discretionary investment consulting. In these accounts, the client retains the right to act or not to act on the recommendations made by TCM. Our advisory services are limited to recommendations for the purchase of investments for your account or sale of investments in your account, which in each case TCM believes would be appropriate for your account considering the agreed-upon investment objectives, risk tolerance and restrictions if applicable. Our client acknowledges that they are responsible for all purchases and sales made in their account(s).

You should be aware that the compensation to TCM and your IAR will diverge per the advisory program chosen. This compensation to TCM and your IAR may be more than the amounts TCM would otherwise receive if you participated in another program. Because of the differences in fee schedules among the various advisory programs and services offered by TCM through your IAR, there is a financial incentive to recommend a program or service over another program and service offered. This presents as a conflict of interest because there may be an incentive to make recommendations based on the amount of compensation that we receive rather than based on your needs. Your IAR will explain the specific costs of all programs recommended to you, and it will also be outlined in your agreement with TCM.

Managed by Triumph Capital Management at Security Benefit

Managed by Triumph Capital Management at Security Benefit utilizes four models to manage client accounts that are opened and held at Security Benefit. The mutual funds that are available on the Security Benefit platform will be the only options available in the allocation mix of these models. On a monthly basis, the models are reviewed, and the investments inside of the model are reallocated. The models may not reallocate should the manager and his/her team determine that the current allocation is appropriate.

Tactical Model at Security Benefit: The Tactical model at Security Benefit seeks to provide absolute returns during any market cycle or condition by employing a weighted strategic rotation model, between commodities, REIT's, bonds and other fixed income investments, international equities, domestic equities, and cash. Utilizing the funds available on the Security Benefit platform, the Tactical model will select and weight heavily into a selection of asset classes from the categories listed above that they believe are experiencing the most strength, while attempting to avoid those asset classes which the



manager and his/her team believe are in a downward trend or don't show as much promise to the upside. The asset classes are then weighted on or near the last trading day of each month. Cash, money market, or fixed account are the only asset classes that can be weighted 100%.

Conservative Model at Security Benefit: The Conservative model at Security Benefit seeks to protect principal over seeking appreciation. Utilizing the funds available on the Security Benefit platform, the Conservative model focuses on an investment strategy that emphasizes capital preservation and risk minimization through a diversified and balanced portfolio of commodities, REIT's, bonds and other fixed income investments, international equities, domestic equities, and cash.

Moderate Model at Security Benefit: The Moderate model at Security Benefit seeks to reduce risks and enhance returns equally. The Moderate model accepts modest risks to pursue higher long-term returns and may endure a short-term loss of principal in exchange for long-term appreciation. Utilizing the funds available on the Security Benefit platform, the Moderate model focuses on an investment strategy through a diversified and balanced portfolio of commodities, REIT's, bonds and other fixed income investments, international equities, domestic equities, and cash.

Aggressive Model at Security Benefit: The Aggressive model at Security Benefit seeks to maximize returns and is willing to accept substantial risk. The Aggressive model is willing to risk losing money to achieve potentially better results. Utilizing the funds available on the Security Benefit platform, the Aggressive model focuses on an investment strategy through a diversified and balanced portfolio of commodities, REIT's, bonds and other fixed income investments, international equities, domestic equities, and cash.

All four models involve risk including the loss of principal. Past performance is not a guarantee of future results. The Managed by Triumph Capital at Security Benefit models may not achieve their goals. Market and economic risk may adversely affect the Managed by Triumph Capital at Security Benefit models that could result in capital losses in your account. Investing involves risk of loss which you should be prepared to bear.

- Please consider the charges, risks, expenses, limited investment options and your overall investment objectives carefully before investing in any of the Managed by Triumph Capital at Security Benefit models.
- The mutual funds, ETF's and/or sub-accounts that are available on the Security Benefit platform will be the only options available in the allocation mix in this model. The Managed by Triumph Capital at Security Benefit models are not intended to manage all a client's assets or to address all of their needs. The models intend to provide clients, who are suitable, and who have a covered account with Security Benefit, options for managing those accounts.

Accounts in the Managed by Triumph Capital at Security Benefit models are custodian with Security Benefit. Clients should receive at least quarterly statements from Security Benefit. We urge you to carefully review these statements and compare them to the account statements that we may provide you, if applicable. 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 IAR or our Chief Compliance Officer, should you have any questions or concerns regarding your account.



The Managed by Triumph Capital at Security Benefit is a program that is limited in nature and is not intended to address all your advisory needs. Additional services are available by separate agreement. Please review this brochure thoroughly and consult with your IAR about the additional services that are available to you. Inclusion in this program is limited and subject to TCM's discretion. TCM may prohibit any person from participating for any reason or no reason at all.

Third Party Asset Managers

TCM provides investment advice and recommendations on the investment strategies of Third-Party Asset Managers ("Managers" or "TPAM"). Selected Managers are evaluated by TCM for client use. Our services include assisting you in identifying your investment objectives and matching personal and financial data with a select list of Managers. The intent of this service is to have a selected list of high-quality third-party investment management firms from which TCM selects one or more Managers to handle the day-to-day management of your account(s).

TCM's IAR's assist you with identifying your risk tolerance and investment objectives. IAR's will recommend TPAM's in relation to your stated investment objectives and risk tolerance. You select a recommended TPAM based upon your needs. TCM may act in either a "manager of managers" or "sub-adviser" capacity when it offers TPAM programs to you.

Managers selected for your investments need to meet several quantitative and qualitative criteria established by TCM. Among the criteria that may be considered are the Manager's experience, assets under management, performance record, client retention, the level of client services provided, investment style, buy and sell disciplines, capitalization level, and the general investment process.

You are advised and should understand that:

- A Manager's past performance is no guarantee of future results
- There is a certain market and/or interest rate risk which may adversely affect any Manager's objectives and strategies, and could cause a loss in a client's account(s); and
- Client risk parameters or comparative index selections provided to TCM are guidelines only, and there is no guarantee that they will be met or not be exceeded.

TCM's IAR's shall be available to answer questions you may have regarding your account and act as the communication conduit between you and the Manager. Managers may take discretionary authority to determine the securities to be purchased and sold for the client.

Information collected by our firm regarding Managers is believed to be reliable and accurate, but TCM does not necessarily independently review or verify it on all occasions. Performance reports may be produced by the respective Manager. Such performance reports will be provided directly to you and TCM. TCM does not audit or verify that these results are calculated on a uniform or consistent basis as furnished by a Manager directly to TCM or through the consulting service utilized by the Manager. However, TCM does monitor the results of the Manager.



TCM has entered into agreements with various independent program Managers. Under these agreements, TCM offers clients various types of programs sponsored by these Managers. All TPAMs to whom TCM will refer to you will be licensed as investment advisors by your resident state and any applicable jurisdictions or registered investment advisors with the Securities and Exchange Commission.

TPAM's generally have account minimum requirements that will vary from investment advisor to investment advisor. Account minimums are generally higher on fixed income accounts than equity-based accounts. A complete description of the Manager's services, fee schedules, and account minimums will be disclosed in the Manager's Form ADV or similar Disclosure Brochure which will be provided to clients at the time an agreement for services is executed and the account is established.

Manager of Managers: When acting as a manager of managers for the TPAM program, your IAR assists you in selecting one or more TPAM programs believed to be suitable for you based on your stated financial situation, investment objectives, and financial goals. TCM and your IAR oversee your investment with the TPAM. TCM can track the performance of each investment manager and has the authority to fire ineffective managers and hire replacements on your behalf. TCM and your IAR are compensated for referring you to the TPAM program. This compensation generally takes the form of the TPAM sharing a percentage of the advisory fee you pay to the TPAM with TCM and your IAR. You will receive a written disclosure statement describing the nature of our relationship with the TPAM program, if any; the terms of our compensation arrangement with the TPAM program, including a description of the compensation that TCM will receive for referring you to the TPAM program; and the amount, if any, that you will be charged in addition to the advisory fee that you will pay to the TPAM as a result of our referral of you to the TPAM program. As part of establishing a new account, you will receive both our disclosure brochure as well as the TPAM's disclosure brochure.

Adviser of Sub-Adviser: Under an adviser or sub-adviser relationship between TCM and the sponsor of the TPAM program, we are jointly responsible for the ongoing management of the account. Your IAR is responsible for assisting you with completing the investor profile questionnaire. While each TPAM may have a different name for the questionnaire, your responses will assist the IAR with understanding your investment objectives, financial situation, risk tolerance, investment time horizon and other personal information. Based on the information that you provide to the IAR, he or she will assist you in determining which TPAM model or portfolio strategy is appropriate for you.

Triumph Turnkey Asset Management Program

Similar to outside TPAM's, TCM offers Triumph Turnkey Asset Management Program ("TTAMP") that is available to unaffiliated IAR's, and licensed Financial Professionals ("FP") to utilize when evaluating investment options for their clients. TCM IAR's are also able to enroll their clients in the TTAMP.

TCM believes the program provides investors an investment management solution with lower account minimums and costs than what is typical for the program's peers. Inside and outside FP's and IAR's can access TTAMP which provides model portfolios and other portfolio management solutions that are managed by TCM.



Clients enrolled in TTAMP will pay TCM a monthly or quarterly fee to cover the cost of administering the program and for providing portfolio management. A portion of the TTAMP fee may be shared with the account custodian for providing custody, clearing and other services.

TCM will typically not accept a client into the program that is not introduced by a FP or IAR. The services to be provided and the expectations of client, FP, IAR and TCM are outlined in the account application, which may be amended in writing from time to time. Clients are free to direct the account in any manner that meets their objectives to include determining the asset allocation, models that may be used, as well as any restrictions the client wishes to place on the account.

The introducing FP, or IAR, serves as a liaison between TCM and the client and is responsible for gathering and communicating the client's financial information, risk tolerance and investment objectives. Clients grant TCM discretionary authority to place trades for the account and when appropriate – relative to the client's investment objectives or any restrictions placed on the account by the client – to make changes to the asset allocation or model selection. By executing a Limited Power of Attorney, clients may also grant to their FP, or IAR the authority to effect changes to the account to include the model selection and/or disbursement from an Account. Once an account is established, TCM continuously monitors the allocation and/or models and executes all trades for the account. The FP, or IAR will continue to service the client relationship by meeting with the client at least annually and communicating to TCM any necessary changes to the client's account. For these reasons, client should acknowledge information sharing between the FP, or IAR and TCM, which can include personal nonpublic information.

FP's and IAR's may provide other clerical or administrative duties for the client's account and may also provide other services outside and in addition to the services offered through the program. This Brochure describes the products and services offered by TCM and its IAR's only. Since FP's and IAR's may offer other third party services in conjunction with, or outside those provided through the program, clients should read and review the Introducing Firm's disclosure brochure so as to fully understand the services being rendered to the client by the Introducing Firm through the FP or IAR.

You should be aware that the compensation to TTAMP and your IAR may be more than the amounts you would otherwise pay if you participated in another TPAM program. Because of the differences in fee schedules among the various advisory programs and services offered by TCM through your IAR, there is a financial incentive to recommend the TTAMP or service over another TPAM program or service. This presents as a conflict of interest because there may be an incentive to make recommendations based on the amount of compensation that TCM and the IAR receive rather than based on your needs. Your IAR will explain the specific costs of all programs recommended to you, and it will also be outlined in your agreement with TCM.

Client Information Provided to Portfolio Managers and Client Contact

Nonpublic information is information about you not accessible to the public. Your social security number, your net worth, and your annual income are examples of non-public information. Public information is information about you readily accessible to the public. Public information may include your name, phone number, and address.



For all accounts, including those in the programs described in this brochure, your IAR will have access to the non-public information provided by you in the account opening process. This information is protected in accordance with our Privacy Policy. Our Privacy Policy is available on our website and is provided upon opening your account and annually thereafter.

Retirement Plan Advisory Services

Retirement Plan Advisory Services consist of assisting employer plan sponsors to establish, monitor and review their company's retirement plan. As the needs of the plan sponsor dictate, areas of advising could include investment selection and monitoring, plan structure, and participant education.

TCM will help establish your plan's needs and objectives through an initial meeting to collect data, review plan information, and assist you in developing or updating the plan's provisions. Ongoing services to you may include recommendations regarding the selection and review of unaffiliated mutual funds, ETFs, and other investment products that, in our judgment, are suitable for the investment of plan assets. TCM will periodically review the investment options you select and make recommendations to keep or to replace plan investment options as TCM feels appropriate. TCM will perform a comprehensive review of potential service providers or vendors and will assist you with converting from your incumbent service provider to a new service provider selected by you. You are under no obligation to follow the recommendations that TCM may make.

Services available under an investment advisory agreement may permit us to provide financial education to your plan participants. The scope of education provided to participants at your request will not constitute "investment advice" within the meaning of ERISA and participant education will relate to general investment principles and information about the investment options currently in the plan. TCM may also participate in initial enrollment meetings, periodic workshops and future enrollment meetings for new participants as agreed upon.

All Retirement Plan Advisory Services shall be in compliance with any applicable Federal and State law(s) regulating the services provided by our agreement. This section applies to an account that is a pension or other employee benefit plan governed by ERISA. If your account is part of a Plan and TCM accepts appointments to provide our services to your account, TCM acknowledges that we are a fiduciary within the meaning of Section 3(21) of ERISA.

Self-Directed Brokerage Accounts

A Self-Directed Brokerage Account ("SDBA") is a brokerage window that allows participants to select investment options outside of their employer's core offerings while staying within the plan and receiving the associated tax benefits. SDBA's provide more flexibility and control, enabling diversified, targeted and strategic retirement investing. The SDBA is for investors who acknowledge and understand the risks associated with many of the investments contained in the SDBA. Your IAR will work with you to identify your investment goals and objectives, as well as risk tolerance, in order to create a portfolio allocation designed to meet your objectives, while staying within any plan specific restrictions.



Advisory accounts typically involve the purchase and/or sale of securities. These accounts are managed on a discretionary or non-discretionary basis based on the plan and the participant's needs.

Many SDBA's prohibit the following:

- Selling short or using margin
- Trading in foreign securities (stocks, bonds)
- Trading in bulletin board or pink sheets stocks
- Trading real estate/property outside of approved REITs
- Trading currencies
- Trading limited partnerships
- Trading futures/commodities
- Trading promissory notes
- Trading collectibles
- Trading municipal bonds

Financial Planning Services

Financial advisory services provided by us will include the analysis of your financial situation and assistance in identifying and implementing appropriate financial planning and investment management techniques to help you meet your specific financial goals and objectives. Such services will include a written financial analysis and specific or general investment and/or planning recommendations. In preparing your financial plan, TCM may address five areas of financial planning. These include financial planning, money management, tax, estate and insurance planning.

Our specific services in preparing your plan may include:

- Review and clarification of your financial goals and objectives.
- Assessment of your overall financial position including cash flow, balance sheet, investment strategy, risk management and estate planning.
- Creation of a unique plan for each goal you have including personal and business real estate, education, retirement or financial independence, charitable giving, estate planning, business succession and other personal goals.
- Development of a goal-oriented investment plan around tax suggestions, asset allocation, expenses, risk and liquidity factors for each goal. This includes IRA and qualified plans, as well as taxable and trust accounts that require special attention.
- Design of a risk management plan including risk tolerance, risk avoidance, mitigation, and transfer, including liquidity as well as various insurance and possible company benefits.
- Crafting and implementation of, in conjunction with your estate and/or corporate attorneys as a tax advisor, an estate plan to provide for you and/or your heirs in the event of an incapacity or death.
- Generation of a benefits plan, risk management plan and succession plan for your business, if applicable.



- Should you choose to implement the recommendations contained in the plan, we suggest that you work closely with your attorney, accountant, insurance agent, and IAR/stockbroker. Implementation of financial plan recommendations is entirely at your discretion.

Consulting Services

TCM also provides clients investment advice on a more-limited basis on one-or-more isolated areas of concern such as estate planning, real estate, retirement planning, or any other specific topic. Additionally, TCM may provide advice on non-securities matters in connection with the rendering of estate planning, insurance, real estate, and/or annuity advice. In these instances, you may be required to select your own investment managers, broker-dealer and/or insurance companies for the implementation of consulting recommendations. If your needs include brokerage and/or other financial services, TCM may recommend the use of one of several investment managers, brokers, banks, custodians, insurance companies or other financial professionals. You must independently evaluate these firms before opening an account or transacting business and have the right to effect business through any firm you choose. You are under no obligation to follow the consulting advice that TCM provides.

Wrap Fee Programs

Our services include a wrap fee program for portfolio management. Wrap fee programs differ from other programs in that the fee structure for wrap programs is all-inclusive, whereas non-wrap fee programs assess trade execution costs that are in addition to the investment advisory fees. TCM will receive a portion of the wrap fee for our services.

Assets

As of November 26, 2019, TCM has \$331,678,922 in discretionary assets under management. TCM does not have any non-discretionary assets under management.

ITEM 5: FEES AND COMPENSATION

Investment Management Fees and Compensation

TCM charges a fee as compensation for providing Investment Management services on your account. These services include advisory and consulting services, trade entry, investment supervision, and other account-maintenance activities. Our custodian may charge transaction costs, custodial fees, redemption fees, retirement plan, alternative assets fee and administrative fees or commissions. See additional fees and expenses below for further details.

In addition, some assets (i.e., mutual funds, ETF's, alternative investments, UIT's and MLP's) deposited or purchased in your accounts may be subject to other management and administrative fees as described in the prospectuses or agreements. These fees are independent of our fees and should be disclosed by the custodian or contained in each prospectus or agreement. Clients and prospective clients should be aware that fees for comparable services vary and lower fees may be available from other sources.



The annual fee for portfolio management services is billed quarterly or monthly, in arrears or advance. The fee can be based on the average daily market value of the account or accounts during the billable period or based on the prior quarterly or monthly account balance. Fees are assessed on all assets under management, including securities, cash and money market balances, unless otherwise noted in the client agreement. TCM can exclude positions for billing purposes. Margin debt balances do not reduce the value of assets under management.

TCM's maximum annual investment advisory fees are 3.00%. The specific advisory fees are outlined in your investment advisory agreement. Fees may vary based on the size of the account, the complexity of the portfolio, the extent of activity in the account or other reasons agreed upon by TCM and the client. In certain circumstances, our fees and the timing and calculation of the fee payments may be negotiated. TCM charges a minimum fee of \$150 annually, for accounts custodian at TD Ameritrade.

In certain instances, TCM can aggregate asset amounts in accounts from a client's household to determine the advisory fee. This consolidation practice is designed to allow the client to benefit from an increased asset total, which could potentially lower the advisory fee, based on the asset levels in the fee schedule.

The independent qualified custodian holding your funds and securities will debit your account directly for the advisory fee and pay that fee to TCM. You will provide written authorization permitting the fees to be paid directly from your account held by the qualified custodian. Further, the qualified custodian agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from the account including our advisory fees. You are encouraged to review your account statements for accuracy. At our discretion, you may pay the advisory fees by check.

Either TCM or you may terminate the management agreement upon written notice to the other party. The management fee will be pro-rated to the date of termination, for the quarter or month in which the cancellation notice was given and refunded or billed to you. Upon termination, you are responsible for monitoring the securities in your account, and TCM will have no further obligation to act or advise with respect to those assets.

Managed by Triumph Capital Management at Security Benefits Fees

Advisory fees for the Managed by TCM program at Security Benefit range from 1.0% to 1.5% depending upon the Security Benefit option chosen. The fee is charged in advance on a quarterly basis, based on the prior quarters account ending balance.

The independent qualified custodian, Security Benefit, will debit your account directly for the advisory fee and pay that fee to TCM. You will provide written authorization permitting the fees to be paid directly from your account held by Security Benefit. Further, the Security Benefit agrees to deliver an account statement at least quarterly directly to you indicating all the amounts deducted from your account.

Security Benefit determines the values of the assets in your portfolio. Security Benefit charges a specified fee and expense based on the option chosen for the program. These fees and expenses are exclusive of any internal fees relating to sub-account fees, mutual funds fees or any other internal fees associated with



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the investment options available on the Security Benefit platform. The IAR's of TCM, in some instances, may also be compensated as registered representatives ("RR") of the broker dealer, Cetera Advisor Networks, LLC ("CAN"), to receive a portion of these fees and expenses based on the option chosen. This is in addition to the 1.0% to 1.5% fee for the Managed by TCM program at Security Benefit. TCM is providing you with a chart of the fees and expenses regarding the Security Benefit Program. Please review the Security Benefit Mutual Fund program brochure and the prospectus for additional details.

In addition to the fees for the Managed by TCM program at Security Benefit, the custodian, Security Benefit, also has several additional fees and expenses as shown in the below graph titled Security Benefit Fees and Expenses.

Security Benefit Fees and Expenses:

Fees and Expenses	Fee Based Option*	Option 3	Option 4	Option 5	Option 6	Option 7
Annual Account Fee	\$35 per year for account balances less than \$50,000, No fee for account balances more than \$50,000					
Purchase Load	0.00%	0.00%	5.50%	0.00%	0.00%	0.00%
Account Distribution Fee (Custodial Fee)	0.25%	1.00%	0.35%	1.25%	1.20%	1.25%
Contingent Deferred Sales Charge		YEAR CDSC One 1.00% Two 0.00%			YEAR CDSC One 1.00% Two 0.00%	YEAR CDSC One 5.00% Two 4.00% Three 3.00% Four 2.00% Five 1.00% Six 0.00%
Withdrawal Fee	A \$25 withdrawal fee may apply to any withdrawal not requested through the participant account online at securitybenefit.com					
Rights of Accumulations	Option 4 Only:	Account Balance		Sales Charge		
		<\$50K		5.50%		
		\$50K - \$99,999		4.75%		
		\$100K - \$249,999		4.00%		
		\$250K - \$499,999		3.25%		
		\$500K - \$999,999		2.25%		



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		>\$1,000,000	0.00%
Loan Fees - All options (not available in all plans or IRA's)			
Loan Origination Fee	\$100		
Loan Annual Maintenance Fee	\$50		
Loan Interest Rate	Prime + 1		

The following example is provided for disclosure purposes only and does not constitute a statement of what fees or expenses the client may incur in this program.

What is a (CDSC), Contingent Deferred Sales Charge?

- A contingent deferred sales charge (CDSC) is a fee (sales charge or load) that mutual fund investors pay when selling fund shares within a specified number of years of the date on which they were originally purchased.

Example/Assumptions: Total fee when enrolled in Managed by TCM at Security Benefit. This is for illustrative purposes only.

- In this example, Option 3 is selected from the Security Benefit Fees and Expenses chart above. Option 3 carries an account distribution fee (Custodial fee) of 1.0% as indicated on the chart. You are reminded that the fee of the TCM program can range from 1.0% to 1.5%. This is disclosed to you in the account opening paperwork.
- In this hypothetical example, the client's account has a balance of \$100,000.00. One Hundred Thousand Dollars.
- The client has also chosen to enroll into the Managed by Triumph Capital program at Security Benefit. The additional cost of adding the Managed by Triumph Capital program at Security Benefit in this example is 1.0%.

Result; Two layers of fees now apply:

- First, the 1.0% for the Security Benefit program, Option #3: $(\$100,000 \times 1\%) = \$1,000^{**}$
- Second, the 1.0% for the Managed by Triumph Capital program at Security Benefit: $(\$100,000 \times 1\%) = \$1,000^{**}$



- You are reminded the fee for the Managed by Triumph Capital Management program at Security Benefit can range from 1.0% to 1.5%. The above is for illustrative purposes only, your actual fee will vary. Please review your TCM account application which will clearly show the Triumph Capital Management program at Security Benefit fee.

**In addition to the fees described above, securities used in the Managed by Triumph Capital Management program at Security Benefit, i.e., mutual funds, ETF's, sub accounts, etc. may have been subject to other management and administrative fees as described in the prospectuses of these funds. These fees are independent of the fees disclosed above and should be disclosed by the custodian and/or contained in each prospectus or agreement from the fund company. The example above is provided for disclosure purposes only and does not constitute a statement of what fees or expenses the client may incur in this program.

You are not required to enroll into the Managed by Triumph Capital Management program at Security Benefit, and you can enroll only into the Security Benefit program and therefore avoid the additional 1.0% to 1.5% fee associated with this TCM program.

Again, your TCM IAR may also be a RR of a broker-dealer. This is disclosed in their ADV Part 2B. Therefore, the 1.0% fee (account distribution / custodian fee) for the Security Benefit fee is shared with your RR's broker-dealer, and the broker-dealer compensates the RR for processing the Security Benefit program through them. Further, when selling you the Security Benefit program, your IAR is acting in the capacity of a RR of a broker dealer.

Your advisor is also an IAR of TCM. The fee of 1.0% to 1.5% for adding the Managed by Triumph Capital program at Security Benefit is also shared with your IAR by TCM. If enrolling into the Managed by Triumph Capital program at Security Benefit, your IAR is acting in the capacity of an IAR of TCM.

Due to commission payments associated with the Security Benefit program enrollment, a conflict of interest may exist. The Security Benefit program offers different options when purchasing, including load and no-load options, as well as different CDSC options. Due to commission payments associated with the Security Benefit program as shown in the above chart, and the fee charged by enrolling into the Managed by Triumph Capital program at Security Benefit, a conflict of interest is presented. This presents as a conflict of interest because there may be an incentive to make recommendations based on the amount of compensation that we receive rather than based on your needs. Your IAR will explain the specific costs of all programs recommended to you, and it will also be outlined in your agreement with TCM. Please review the prospectus closely and discuss with your IAR.

In such cases where a load was paid on a Security Benefit purchase, TCM will not allow its IAR's to enroll you into the Managed by Triumph Capital program at Security Benefit. If your IAR did not sell the Security Benefit program to you, this might not apply.

You should also note that fees for comparable services vary and lower fees may be available from other sources.



The custodian of this account, Security Benefit, provides fee and expenses disclosure on your quarterly statements. An example of this is: “Certain fees and expenses are charged to your account for individual services. The following amounts of these individual expenses were charged to your account for the quarter ending 00/00/00”:

Expenses (<i>Quarter Ending 00/00/0000</i>)	
Fee Category	
Third Party Management Fee**	\$250
Asset Based Fee**	\$250

Third Party Management Fee: Expenses associated with the Investment Advisory Services provided by the managed account provider. This fee is compensation paid to TCM for providing management services to your account pursuant to your enrollment in the Managed by Triumph Capital program at Security Benefit.

Asset Based Fee: Asset based fees help pay for distribution expenses as well as recordkeeping. The asset-based fee amount provided in this section may also include a front-end sales charge. This fee as shown on the Security Benefit Fee and Expenses Chart is presented above. Your advisor may also be a RR of the broker-dealer, CAN. Some portion of the Asset Based Fee charged by Security Benefit may be paid to your RR’s broker-dealer, and the broker-dealer may compensate the RR from this payment.

Security Benefit provides you with statements that show the amount paid directly to TCM. You should verify the calculation of these fees. Your custodian does not verify the accuracy of fee calculations. Either TCM or you may terminate the Managed by Triumph Capital at Security Benefit advisory agreement at any time with written notice to the other party.

Financial Planning Fees

TCM will negotiate a Financial Planning fee with you. The fee may vary based on the extent and complexity of your individual or family circumstances and the amount of your assets under our management. TCM will determine your fee for the designated financial advisory services. Under a fixed fee arrangement, any fee will be agreed in advance of services being performed. Fees range from \$100.00 to \$10,000.00.

Typically, TCM will complete a plan within 30 days and present it to you within 90 days of the contract date, if you have provided all information needed to prepare the financial plan. If the work is not completed in such a time, TCM will refund your fee. The fees are paid monthly, quarterly, semi-annually or annually within 30 days after receiving an invoice.

In no case are fees based on, or related to, the performance of your funds or investments. TCM will not require prepayment of more than \$1,200 in fees per client, six (6) or more months in advance of providing any services.



The services may be terminated by either party at any time without penalty upon receipt of written notice. Financial Planning Services are considered complete upon delivery of the Financial Plan and discussion of the Plan.

Retirement Plan Advisory Service Fee

For Retirement Plan Advisory Services compensation, TCM charges an annual fee as negotiated with the client and disclosed in the investment advisory agreement. The compensation method is explained and agreed upon in advance before any services are rendered. Annual fees will not exceed 3.00%. Fixed fees range from \$500 to \$50,000.

Plan advisory services begin with the effective date of the agreement, which is the date you sign the investment advisory agreement. TCM's fee is billed quarterly in advance based on the value the last day of the calendar quarter. Invoices are sent each quarter to either the client or the custodian of the Plan. For Plans where our fee is billed to the custodian, the fee is deducted directly from the participant accounts. A written authorization permitting us to be paid directly from the custodial account is outlined in the investment advisory agreement. In some circumstances, you can have the fee automatically taken from your bank account or directly charged to a credit card.

Either party may terminate the agreement at any time upon written notice. You are responsible for paying for services rendered until the termination of the agreement.

Consulting Fees

TCM provides planning services for clients who need advice on a limited scope of work. TCM will negotiate consulting fees with you. Fees may vary based on the extent and complexity of the consulting project. Fees are negotiated, and you will be billed as services are rendered.

Either party may terminate the agreement. Upon termination, fees will be prorated to the date of termination and any unearned portion of the fee will be refunded to you.

Variable Product Advisory Management Fees

A TCM IAR may offer you investment management services on the sub-account allocations within a variable product you own, such as a variable annuity or a variable universal life insurance policy. This service may be provided to you directly by your IAR on a discretionary basis, and this will be detailed in your advisory agreement. Your IAR may use his/her own analysis, research methods, investment style/strategy and ongoing management philosophy when providing this investment management service to you.

If you engage your IAR to provide advice relative to your variable product, you will pay a fee for this service. This advisory fee is separate and in addition to the internal costs inherent to your variable product and will be calculated as a percentage of your variable product account value, including any cash or cash equivalent positions(s). When this service is provided to you directly by your IAR, the advisory fee is not



to exceed 2% per year. The advisory fee you will be charged will be clearly outlined in the advisory agreement you sign with your IAR.

Due to commission payments associated with certain variable products, they present a conflict of interest because they create an incentive to make recommendations based on the compensation that we receive rather than based on your needs. We will explain the specific costs associated with any recommended investments with you upon request. In such cases where a commission was paid on a variable product, TCM will not allow its IAR's to charge a fee for this service for a period of two years following when he/she sold the variable product to you. If your IAR did not sell the variable product to you, this two-year waiting period may or may not apply.

Alternative Product Advisory Management Fees

If you engage your IAR to provide advice relative to your alternative Investments, you will pay a fee for this service. This advisory fee is separate and in addition to the internal costs inherent to your alternative investment and will be calculated as a percentage of your alternative investment account value, as reported by the custodian where your alternative investment is held. When this service is provided to you directly by your IAR, the advisory fee is not to exceed 3% per year. The advisory fee you will be charged will be clearly outlined in the advisory agreement you sign with your IAR.

Due to commission payments associated with certain alternative investments, they present a conflict of interest because they create an incentive to make recommendations based on the compensation that we receive rather than based on your needs. We will explain the specific costs associated with any recommended investments with you upon request. Alternative investments may have different shares classes available for purchase including no load options. Please review the prospectus closely and discuss with your IAR. In such cases where a commission was paid on an alternative investment, TCM will not allow its IAR's to charge a fee for this service for a period of three years following when the IAR sold the alternative investment to you. If your IAR did not sell the alternative investment to you, this three-year waiting period may or may not apply.

Third Party Asset Manager Fees

TCM also receives compensation from TPAM that are approved by TCM. TCM provides investment advice and recommendations on the investment strategies of TPAM's and these TPAM's compensate TCM accordingly. Selected Managers are evaluated by TCM for client use. Our services include assisting you in identifying your investment objectives and matching personal and financial data with a select list of Managers. The intent of this service is to have a selected list of high quality and recognizable TPAM's from which you select one or more Managers to handle the day-to-day management of your account(s). Following recommendations by our IAR's, you will have final authority to select a Manager. The IAR may assist you in completing appropriate documents.

Information collected by our firm regarding Managers is believed to be reliable and accurate, but TCM does not necessarily independently review or verify it on all occasions. Performance reports may be produced by the respective Manager. Such performance reports will be provided directly to you and TCM. TCM does not audit or verify that these results are calculated on a uniform or consistent basis as



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furnished by a Manager directly to TCM or through the consulting service utilized by the Manager. However, TCM does monitor the results of the Manager.

The fee that you pay your IAR is separate and in addition to the fee that you pay the TPAM. In addition to TCM's account application and Disclosure Brochure, you should review the Disclosure Brochure of utilized TPAM, for a breakdown of their additional fees.

Either party may terminate the TPAM agreement with written notice to the other party.

Triumph Turnkey Asset Management Program Fees

TCM charges a monthly or quarterly fee that covers the costs of administering the TTAMP as well as portfolio and model construction costs, trading, custody and clearing.

TCM offers flexibility regarding when and how the TTAMP fee is debited from client accounts. The TTAMP fee can be calculated monthly or quarterly, in advance or arrears, as a percentage of the account value using the average daily balance of each month/quarter or based on the prior month/quarter ending account balance. The fee calculation will be clearly outlined in the account application, Section: Management Fees and Charges.

In most instances, the TTAMP fee is debited from the client account quarterly, based on the prior quarter ending account balance, and is exclusive (separate and in addition to) of the IAR/FP fee, or other ancillary fees that may be applicable, such as internal fund fees or custodian maintenance fees. However, in certain instances, if requested, the TTAMP fee and the FP/IAR fee may be combined and debited from the client account together. This will be clearly outlined in the client agreement, Section: Management Fees and Charges.

For clients with more than one account, each account is mutually exclusive for purposes of calculating and debiting the program fee. Through the account agreement, clients authorize TCM to debit the account and pay to the IAR/FP the IAR/FP fee as noted in the account application as compensation for introducing clients to the TTAMP, gathering and communicating client's financial information, assisting in the Portfolio allocation, model selection, maintaining the account, and informing TCM of any material changes in the client's financial needs, as well as other administrative duties performed by the IAR/FP. The IAR/FP fee is negotiated between the client and IAR/FP and will also be noted on the account application.

The typical annual blended TTAMP fee that TCM will collect is presented in the chart below. Please note, this fee can vary based on the agreement with the FP/IAR, and the platform for distribution. Please refer to your account application, Section: Management Fees and Charges to clearly disclose the program fee associated with your account(s).

Triumph Turnkey Asset Management Typical Fee (<i>may vary</i>)	
Account Value	TTAMP Fee
\$0.00 - \$100,000	0.90%



\$100,001 - \$250,000	0.85%
\$250,001 - \$500,000	0.80%
\$500,001 - \$1,000,000	0.75%
\$1,000,001 - \$5,000,000	0.65%
\$5,000,001 - \$10,000,000	0.55%
Over \$10,000,000	0.35%

- TTAMP has a minimum annual fee of \$150 per account.
- In most instances, the TTAMP fee is separate and in addition to the IAR/FP fee.
- Please reference your account application “Section: Management Fees and Charges”

Additional Fees and Expenses

Advisory fees payable to us do not include all the fees you will pay when TCM purchases or sells securities for your account(s). The following list of fees or expenses is what you may pay directly to third parties only, whether a security is being purchased, sold or held in your account(s) under our management.

- Transaction fees;
- SEC fees;
- Custodial fees;
- Transfer taxes;
- Wire transfer and electronic fund processing fees;
- Account closing fees.

Please refer to the “Brokerage Practices” below for discussion of TCM’s brokerage practices.

ITEM 6: PERFORMANCE BASED FEES AND SIDE BY SIDE MANAGEMENT

TCM does not charge advisory fees on a share of the capital appreciation of the funds or securities in a client account (so-called performance-based fees). Our advisory-fee compensation is charged only as disclosed above in fees and compensation.

ITEM 7: ACCOUNT REQUIREMENTS AND TYPES OF CLIENTS

TCM provides investment advice to individuals, high-net-worth individuals, families, small businesses, foundations, trusts, and estates. TCM also provides investment advice on and to retirement accounts including but not limited to IRA’s, SEP, Simple, Solo’s, retirement trusts, defined benefit plans, small business 401(k) plans and corporate 401(k) plans. Our minimum initial account value is \$25,000. TCM may waive account minimums at our sole discretion.



Certain TPAM's require a minimum account size and can vary from manager to manager.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

TCM seeks to recommend investment strategies that will give a client a diversified portfolio consistent with the client's investment objective. TCM does this by analyzing the various securities, investment strategies, and TPAM's. The goal is to identify a client's risk tolerance and then find a manager with the maximum expected return for that level of risk.

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

TCM utilizes both fundamental and technical analysis. TCM gathers our information from a broad array of financial resources including financial newspapers, magazines, research prepared by others, corporate rating services, company press releases, annual reports, prospectuses and filings with the Securities and Exchange Commission.

TCM determines how to allocate assets among the various asset classes based on the investment strategy chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine to what degree the portfolio should be invested.

From time-to-time, market conditions may cause your account to vary from the established allocation. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and rebalanced to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy.

In addition to the rebalancing, overall market conditions and microeconomic factors that affect specific holdings in your account may trigger changes in allocation. Your account may also receive informal reviews more frequently.

Third Part Portfolio Manager Selection, Evaluation

TCM seeks to recommend investment strategies that will give a client a diversified portfolio consistent with the client's investment objective. TCM does this by analyzing the various securities, investment strategies, and third-party management firms. The goal is to identify a client's risk tolerance and then find a manager with the maximum expected return for that level of risk.

TCM examines the experience, expertise, investment philosophies and past performance of independent, third party managers to determine if that manager has demonstrated an ability to invest over a period and



in different economic conditions. TCM monitors the managers' underlying holdings, strategies, concentrations, and leverage as part of our overall periodic risk assessment. Additionally, as part of our due-diligence process, TCM surveys the managers' compliance and business enterprise risks.

A risk of investing with a third-party manager who has been successful in the past is that he/she may not be able to replicate that success in the future. In addition, as we do not control the underlying investments in a managers' portfolio, there is also a risk that the manager may deviate from the stated investment mandate or strategy of the portfolio, making it a less suitable investment for our clients. Moreover, as TCM does not control the managers' daily business and compliance operations, TCM may be unaware of the lack of internal controls necessary to prevent business, regulatory or reputational deficiencies.

Investment Philosophy

Prior to making recommendations, TCM determines your financial status, needs, time horizon, investment objectives, risk tolerance, and tax status. From this, TCM creates an investor profile and general asset allocation target. While TCM believes asset allocation is a key factor affecting the long-term rate of return, TCM also believe fundamental research and wise securities selection is vital. To that end, TCM selects from a narrow, refined list of institutional fund managers known for excellence in their respective disciplines. TCM focuses primarily on the people, processes, research, consistency, and culture rather than simply recent "high performance" or "track record."

As much as reasonably possible, TCM strives to:

- Diversify strategically with non-correlating assets.
- The balance between growth and value styles.
- Diversify globally.
- Rebalance as markets change.
- Manage for tax efficient returns wherever possible.

TCM selects specific investments for your portfolios using fundamental, cyclical and technical analysis, as well as charting. TCM gathers our information from a broad array of financial resources including financial newspapers, magazines, research prepared by others, corporate rating services, company press releases, annual reports, prospectuses and filings with the Securities and Exchange Commission.

TCM determines how to allocate assets among the various asset classes based on the investment strategy chosen, prevailing economic conditions and our determination of where we are in the economic cycle. Potential risks and opportunities are weighed to determine to what degree the portfolio should be invested.

From time-to-time, market conditions may cause your account to vary from the established allocation. To remain consistent with the asset allocation guidelines established, your account is monitored on an ongoing basis and rebalanced to the original allocation, or if deemed beneficial, to a new allocation based on the then prevailing economic conditions and within the guidelines of the chosen investment strategy. In addition to the rebalancing, overall market conditions and microeconomic factors that affect specific holdings in your account may trigger changes in allocation.



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 movements. 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 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 holds as well as 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 type of investments to be held in your portfolio.

Risk of Loss

You are advised and are expected to understand that our past performance is not a guarantee of future results and that certain market and economic risks exist that may adversely affect an account's performance that could result in capital losses in your account. Investing in securities involves risk of loss which you should be prepared to bear.

There are principal and material risks involved which may adversely affect the account value and total return. There are other circumstances (including additional risks that are not described here) which could prevent your portfolios from achieving its investment objective. It is important to read all the disclosure information provided and to understand that you may lose money by investing in any of our strategies.

Past performance is not a guarantee of future results. The Managed by Triumph Capital model may not achieve its goals. Market and economic risk may adversely affect the Managed by Triumph model that could result in capital losses in your account. Investing involves risk of loss which you should be prepared to bear.

You should be aware that your account is subject to the following risks:

Market Risk: Even a long-term investment approach cannot guarantee a profit. Economic, political and issuer-specific events will cause the value of securities to rise or fall. Because the value of investment



portfolios will fluctuate, there is the risk that you will lose money, and your investment may be worth upon liquidation.

Foreign Securities and Currency Risk: Investments in international and emerging-market securities include exposure to risks such as currency fluctuations, foreign taxes and regulations, and the potential for illiquid markets and political instability.

Capitalization Risk: Small-cap and mid-cap companies may be hindered as a result of limited resources or less diverse products or services, and their stocks have historically been more volatile than the stocks of larger, more established companies.

Interest Rate Risk: In a rising rate environment, the value of fixed-income securities generally declines, and the value of equity securities may be adversely affected.

Credit Risk: Credit risk is the risk that the issuer of a security may be unable to make interest payments and/or repay principal when due. A downgrade of an issuer's credit rating or a perceived change in an issuer's financial strength may affect a security's value and, thus, impact the fund's performance.

Securities Lending Risk: Securities lending involves the risk that the fund loses money because the borrower fails to return the securities in a timely manner or at all. The fund could also lose money if the value of the collateral provided for loaned securities, or the value of the investments made with the cash collateral, falls. These events could also trigger adverse tax consequences for the fund.

Derivative Risk: Derivatives are securities, such as futures contracts, whose value is derived from that of other securities or indices. Derivatives can be used for hedging (attempting to reduce risk by offsetting one investment position with another) or non-hedging purposes. Hedging with derivatives may increase expenses, and there is no guarantee that a hedging strategy will achieve the desired results.

Exchange-Traded Funds: ETFs face market-trading risks, including the potential lack of an active market for shares, losses from trading in the secondary markets and disruption in the creation/redemption process of the ETF. Any of these factors may lead to the fund's shares trading at either a premium or a discount to its "net asset value."

Performance of Underlying Managers: We select the mutual funds and ETFs in the asset allocation models. However, TCM depends on the manager of such funds to select individual investments in accordance with their stated investment strategy.

Options Risk: Options on securities may be subject to greater fluctuations in value than an investment in the underlying securities. Purchasing and writing put and call options are highly specialized activities and entail greater than ordinary investment risks.

Cash and Cash Equivalents: A portion of your assets may be invested in cash or cash equivalents to achieve your objective, provide going distributions and/or take a defensive position. Cash holdings may result in a loss of market exposure.



Fixed Income Securities: The return and principal value of bonds fluctuate with changes in market conditions. Fixed income securities have interest rate risk and credit risk. As interest rates rise, existing bond prices fall and can cause the value of an investment to decline. Changes in interest rates generally have a greater effect on bonds with longer maturities than those with shorter maturities. If bonds are not held to maturity, they can be worth more or less than their original value. Credit risk refers to the possibility that the issuer of a bond will not be able to make principal and/or interest payments. High yield bonds, also known as “junk bonds”, carry higher risk of loss of principal and income than higher rated investment grade bonds.

Equity Securities: In general, prices of equity securities are more volatile than those of fixed income securities. The prices of equity securities will rise and fall in response to several different factors, including events that affect issuers as well as events that affect entire financial markets or industries. Small and mid-capitalization stocks may have greater price volatility, lower trading volume and less liquidity than large capitalization stocks.

Mutual Funds: Mutual funds may invest in different types of securities, such as value or growth stocks, real estate investment trusts, corporate bonds or U.S. government bonds. There are risks associated with each asset class.

An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although money market funds seek to preserve the value of your investment, it is possible to lose money by investing in the fund. Redemption is at the current net asset value, which may be than the original cost. Aggressive growth funds are most suitable for investors willing to accept price per share volatility since many companies that demonstrate high growth potential can also be high risk. Income from tax-free mutual funds may be subject to local, state and/or the alternative minimum tax.

Because each mutual fund owns different types of investments, performance will be affected by a variety of factors. The value of your investment in a mutual fund will vary from day to day as the values of the underlying investments in a fund vary. Such variations generally reflect changes in interest rates, market conditions and other company and economic news. Their risks may become magnified depending on how much a fund invests or uses certain strategies.

You will find additional information regarding these risks in the prospectus for each individual mutual fund held in your account. You can request a copy of a prospectus from your IAR or by contacting the investment company directly.

Alternative Investments: Alternative investments are illiquid investments and do not trade on a national securities exchange. Alternative investments typically include investments in direct participation program securities (partnerships, limited liability companies, business development companies or real estate investment trusts), commodity pools, private equity, private debt or hedge funds. Alternative investments are subject to various risks, such as illiquidity and property devaluation based on adverse economic and real estate market conditions.



Alternative investments are not suitable for all investors. Investors considering an investment strategy utilizing alternative investments should understand that alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few alternative investments. These risks are potentially greater and substantially different than those associated with traditional equity or fixed income investments.

You will find additional information regarding these risks in the product's prospectus. You can request a copy of a prospectus from your IAR. You should read the prospectus carefully before investing in an alternative investment.

ITEM 9: DISCIPLINARY INFORMATION

TCM does not have any legal, financial or other "disciplinary" items to report. Your IAR will provide you with Form 2B that is specific to their individual disciplinary record. More information may be found by visiting www.FINRA.org or www.SEC.gov.

- Triumph Capital Management's CRD number is: 282814
- Triumph Capital Management's SEC number is: 801-107312

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Insurance

TCM's IAR's may act as agents appointed with various life, disability or other insurance companies, receive commissions, trails, or other compensation from the respective product sponsors and/or as a result of effecting insurance transactions for clients. However, clients should note that they are under no obligation to purchase any insurance products through TCM or its IAR's. Please note that IAR's spend less than 10% of their time on business relating to insurance.

Broker Dealer

TCM is not a broker/dealer, but some of TCM's IAR's are RR's of CAN, a full-service broker-dealer, member FINRA/SIPC, which compensates them for effecting securities transactions. When placing securities transactions through CAN in their capacity as RR's, they may earn sales commissions. Because the IAR's are dually registered agents of CAN and TCM, CAN has certain supervisory and administrative duties pursuant to the requirements of FINRA Conduct Rule 3280. These dually registered individuals are subject to applicable industry rules that restrict them from conducting securities transactions away from CAN unless CAN provides the individual with written authorization to do so. Therefore, these individuals are generally limited to conducting securities transactions through CAN. This presents a material conflict of interest because your IAR may have an incentive to effect securities transactions for the purpose of generating commission rather than basing his/her recommendations solely on your needs and objectives. TCM mitigates this conflict of interest by monitoring the appropriateness of the recommendations that



your IAR/RR makes to you. CAN and TCM are not affiliated companies. IAR's of TCM spend a portion their time in connection with broker/dealer activities.

As a broker-dealer, CAN engages in a broad range of activities normally associated with securities brokerage firms. Pursuant to the investment advice given by TCM or its IAR's, investments in securities may be recommended for clients. If CAN is utilized for brokerage services, IAR's of TCM may receive commissions for executing securities transactions.

You are advised that when CAN is selected as the broker-dealer, the transaction charges may be higher or lower than the charges you may pay if the transactions were executed at other broker/dealers. You should note; however, that you are under no obligation to purchase securities through IAR's of TCM or CAN.

Moreover, you should note that under the rules and regulations of FINRA, CAN has an obligation to maintain certain client records and perform other functions regarding certain aspects of the investment advisory activities of its RR's. These obligations require CAN to coordinate with, and have the cooperation of its RR's that operate as, or are otherwise associated with, investment advisers other than CAN. Accordingly, CAN may limit the use of certain custodial and brokerage arrangements available to clients of TCM, and CAN may collect, as a paying agent of TCM, the investment advisory fee remitted to TCM by the account custodian. CAN may retain a portion of the investment advisory fee you pay, as a charge for the functions it performs, and such portion may be further re-allowed to other RR's of CAN. The charge will not increase the advisory fee you have agreed to pay TCM.

IAR's of TCM, in their capacity as RR's of CAN, or as agents appointed with various life, disability or other insurance companies, receive commissions, 12(b)-1 fees, fee trails, or other compensation from the respective product sponsors and/or as a result of effecting securities transactions for clients. These arrangements present a conflict of interest because they create an incentive to make recommendations for the purchase or sale securities and / or insurance policies based on the amount of compensation your IAR can receive rather than based on 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. However, clients should note that they are under no obligation to purchase any investment products through the TCM IAR, who may also be a RR of CAN.

Due to commission payments associated with the Security Benefit program enrollment a conflict of interest may exist. The Security Benefit program offers different options when purchasing, including load and no-load options as well as different CDSC options. Due to commission payments associated with the Security Benefit program as shown in the above chart, and the fee charged by enrolling into the Managed by TCM program a conflict of interest is presented. This is because they create an incentive to make recommendations based on the compensation that we receive rather than based on your needs. We will explain the specific costs associated with any recommended investments with you upon request. Please review the prospectus closely and discuss with your IAR.

In such cases where a load was paid on a Security Benefit purchase, TCM will not allow its IAR's to enroll you into the Managed by Triumph Capital program. If your IAR/RR did not sell the Security Benefit program to you, this might not apply.



You can find more information on your IAR, and his or her previous and current registrations by visiting FINRA Broker Check: www.finra.org

Other Registrations

IAR's of Triumph may also be IAR's of Summit Financial Group ("SFG") and Cetera Investment Advisers LLC ("CIA") and are able to offer a variety of advisory programs and services through SFG and CIA in addition to the advisory services our IAR's are able to offer through TCM. SFG and CIA are affiliated RIAs of CAN. When our IAR's conduct advisory business through SFG and CIA, he/she may earn a fee based on the advisory service offered through SFG or CIA. This presents a material conflict of interest because your IAR may have an incentive to offer advisory services through SFG and CIA that result in a higher fee compensation. This fee is separate and in addition to the fees you pay for the advisory services you receive from your IAR through TCM.

You can find more information on your IAR, and his or her previous and current registrations by visiting FINRA Broker Check: www.finra.org

Outside Business Activity

IAR's of TCM may have Outside Business Activities ("OBA"). The OBA's of your IAR are fully described and disclosed on his/her ADV form 2B. OBA's can present a material conflict of interest because your IAR may have an incentive to spend more time on their outside business activity than focusing on your advisory relationship. TCM monitors and approves OBA's to help reduce this conflict of interest.

You can find more information regarding your IAR's outside business activity by visiting FINRA Broker Check: www.finra.org

If you would like to receive a copy of your IAR's most recent ADV form 2B, please contact our Chief Compliance Officer, Brandon Drespling.

Other Potential Conflicts of Interest

As a fiduciary, the Firm and all Code Persons have an affirmative duty of care, loyalty, honesty, and good faith to act in the best interests of its clients. With this duty, the Firm and its Code Persons can achieve this obligation by trying to avoid conflicts of interest and by fully disclosing all material facts concerning any conflict that does arise with respect to any client. A conflict of interest may occur when a Code Person's private interests may be inconsistent with the interests of the Firm's clients and/or his/her service to the Firm. Additionally, Code Persons must try to avoid situations that have even the appearance of conflict or impropriety.

Conflicts of interest may arise where the Firm or its Code Persons have reason to favor the interests of one client over another client (e.g., larger accounts over smaller accounts, accounts compensated by performance fees over accounts not so compensated, accounts in which employees have made material



personal investments, accounts of close friends or relatives of Code Persons). The Firm prohibits inappropriate favoritism of one client over another client that would constitute a breach of fiduciary duty.

The Firm prohibits Code Persons from using knowledge about pending or currently considered securities transactions for clients to profit personally, directly or indirectly, as a result of such transactions, including purchasing or selling such securities.

Supervision: Mr. Brandon Drespling and Mr. Derek Eichenwald are both principals of TCM. Mr. Drespling is supervised by Mr. Eichenwald and Mr. Eichenwald is supervised by Mr. Drespling. Mr. Drespling and Mr. Eichenwald manage client assets as co-managers. This can be deemed a potential conflict of interest. If you have any questions regarding the supervision of Mr. Drespling or Mr. Eichenwald, please contact Mr. Drespling and Mr. Eichenwald prior to engaging in advisory services with TCM.

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

TCM and persons associated with TCM are allowed to invest for their own accounts or to have a financial interest in the same securities or other investments that TCM recommends or acquires for your account, and may engage in transactions that are the same as or different than transactions recommended to or made for your account. This creates the potential for a conflict of interest. TCM recognizes the fiduciary responsibility to place your interests first and has established policies in this regard to avoid any potential conflicts of interest.

TCM has developed and implemented a Code of Ethics that sets forth standards of conduct expected of our advisory personnel to mitigate this conflict of interest. The Code of Ethics addresses, among other things, personal trading, gifts, the prohibition against the use of inside information and other situations where there is a possibility for conflicts of interest.

The Code of Ethics is designed to protect our clients by deterring misconduct, educate personnel regarding the firm's expectations and laws governing their conduct, remind personnel that they are in a position of trust and must act with complete propriety at all times, protect the reputation of TCM, guard against violation of the securities laws, and establish procedures for personnel to follow so that TCM may determine whether their personnel are complying with the firm's ethical principles.

TCM has established the following restrictions in order to ensure our firm's fiduciary responsibilities:

A director, officer or employee of TCM shall not buy or sell any securities for their personal portfolio(s) where their decision is substantially derived, in whole or in part, by reason of his or her employment unless the information is also available to the investing public on reasonable inquiry. No director, officer or employee of TCM shall prefer his or her own interest to that of the advisory client.



- TCM maintains a list of all securities holdings and anyone associated with this advisory practice with access to advisory recommendations. These holdings are reviewed on a regular basis by an appropriate officer/individual of TCM.
- TCM emphasizes the unrestricted right of the client to decline to implement any advice rendered, except in situations where we are granted discretionary authority of the client's account.
- TCM emphasizes the unrestricted right of the client to select and choose any broker-dealer (except in situations where TCM is granted discretionary authority) he or she wishes.
- TCM requires that all individuals must act in accordance with all applicable Federal and State regulations governing registered investment advisory practices.
- Any individual not in observance of the above may be subject to termination.
- You may request a complete copy of our Code by contacting us.

ITEM 12: BROKERAGE PRACTICES

TCM recommends the brokerage services of CAN. CAN is an introducing broker-dealer which clears its transactions through both Pershing, WFCS, or directly with Insurance Companies' and Alternative Companies'. CAN is registered with the SEC and state jurisdictions and is a member of FINRA and SIPC. CAN provides a full range of brokerage services in stocks, corporate bonds, municipal bonds, government bonds, options, mutual funds, variable annuities, real estate investment trusts and other investment and insurance products.

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

Direct Brokerage

Not all registered investment advisors require their clients to direct their brokerage transactions to a specific broker-dealer. However, many of our IAR's are also RR's of CAN and will recommend CAN to clients for brokerage services, which may include various insurance and other investment products. These dually registered individuals are subject to applicable industry rules that restrict them from conducting securities transactions away from CAN unless CAN provides the individual with written authorization to do so.

These individuals are generally limited to conducting securities transactions through CAN. It may be the case that transaction costs and/or custodial fees charged through CAN are higher than what other broker-dealers charge for the same types of transactions. If transactions are executed through CAN, these dually-registered individuals (in their separate capacity as RR's of CAN) earn commission-based compensation as a result of placing the recommended securities transactions through CAN. This commission-based compensation is separate and in addition to the fees you pay for the advisory services you receive from your IAR through TCM.

Further, an IAR, when appropriate, may recommend that a retirement plan sponsor use a certain retirement plan platform or service provider (such as a record keeper, administrator or broker-dealer).



That recommendation may include using our CAN to serve as broker-dealer in connection with the sale of securities or insurance products to the retirement plan.

These instances present a material conflicts of interest because your IAR may have an incentive to effect securities transactions for the purpose of generating commission rather than basing his/her recommendations solely on your needs and objectives. TCM mitigates this conflict of interest by monitoring the appropriateness of the recommendations your IAR/RR makes to you. You may utilize the broker-dealer of your choice, and you have no obligation to purchase or sell securities through CAN. However, if you do not use CAN, TCM may not be able to accept your account, and therefore, you may not be able to work with our dually registered individual (IAR/RR) on your account.

TD Ameritrade Institutional; Program

TCM participates in the TD Ameritrade Institutional program. TD Ameritrade Institutional is a division of TD Ameritrade, Inc. ("TD Ameritrade") member FINRA/SIPC. TD Ameritrade is an independent and unaffiliated SEC-registered broker-dealer. TD Ameritrade offers to independent investment advisors services that include custody of securities, trade execution, clearance, and settlement of transactions. TCM may receive certain additional economic benefit ("Additional Services") that may or may not be offered to any other independent investment advisors participating in the program.

TD Ameritrade provides the Additional Services to an advisor in its sole discretion and at its own expense, and an advisor does not pay any fees to TD Ameritrade for the Additional Services. An advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

There is no direct link between our participation in the program, and the investment advice TCM gives to our clients, although we receive economic benefits through our participation in the program that are typically not available to any other independent investment advisors participating in the program. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by TCM or our personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, TCM endeavors always to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by TCM or our related persons in and of itself



creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Our receipt of Additional Services raises the potential for conflicts of interest. In providing Additional Services to us, TD Ameritrade most-likely considers the amount and profitability to TD Ameritrade of the assets in, and trades placed for, our client accounts maintained with TD Ameritrade. TD Ameritrade has the right to terminate the Additional Services Addendum with TCM, in its sole discretion, provided certain conditions are met. Consequently, in order to continue to obtain the Additional Services from TD Ameritrade, TCM may have an incentive to recommend to its clients that the assets under management by TCM be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. TCM's receipt of Additional Services does not diminish our duty to act in the best interests of our clients, including seeking best execution of trades for client accounts.

In the event you request us to recommend a broker/dealer custodian for execution and/or custodial services, TCM generally recommends your account to be maintained at TD Ameritrade. TCM may recommend that you establish accounts with TD Ameritrade to maintain custody of your assets and to effect trades for your accounts. You are under no obligation to act upon any recommendations, and if you elect to act upon any recommendations, you are under no obligation to place the transactions through any broker/dealer TCM recommends. Our recommendation is generally based on the broker's cost and fees, skills, reputation, dependability, and compatibility with the client. You may be able to obtain lower commissions and fees from other brokers, and the value of products, research, and services given to us is not a factor in determining the selection of broker/dealer or the reasonableness of their commissions.

TCM does not select or recommend broker/dealers based upon receiving client referrals from a broker/dealer or third party. TCM does not routinely recommend, request or require that you direct us to execute transaction through a specified broker/dealer. Additionally, TCM typically does not permit you to direct brokerage.

We place trades for your account subject to our duty to seek best execution and other fiduciary duties. TCM may use broker/dealers other than your custodian to execute trades for your account. The practice of using other broker/dealers may result in additional costs to you so that we are more likely to place trades through your custodian rather than through other broker/dealers. Your custodian's execution quality may be different than other broker/dealers.

TCM will aggregate trades for ourselves or our associated persons with your trades, providing that the following conditions are met:

- Our policy for the aggregation of transactions shall be fully disclosed separately to our existing clients (if any) and the broker/dealer(s) through which such transactions will be placed;
- TCM will not aggregate transactions unless we believe that aggregation is consistent with our duty to seek the best execution (which includes the duty to seek the best price) for you and is consistent with the terms of our investment advisory agreement with you for which trades are being aggregated.
- No advisory client will be favored over any other client; each client that participates in an aggregated order will participate at the average share price for all our transactions in a given



security on a given business day, with transaction costs based on each client's participation in the transaction;

- TCM will prepare a written statement ("Allocation Statement") specifying the participating client accounts and how to allocate the order among those clients;
- If the aggregated order is filled in its entirety, it will be allocated among clients in accordance with the allocation statement; if the order is partially filled, the accounts that did not receive the previous trade's positions should be "first in line" to receive the next allocation.
- Notwithstanding the foregoing, the order may be allocated on a basis different from that specified in the Allocation Statement if all client accounts receive fair and equitable treatment and the reason for difference of allocation is explained in writing and is reviewed by our compliance officer. Our books and records will separately reflect, for each client account, the orders of which aggregated, the securities held by, and bought for that account.
- TCM will receive no additional compensation or remuneration of any kind as a result of the proposed aggregation; and
- Individual advice and treatment will be accorded to each advisory client.

As a matter of policy and practice, we do not utilize research, research-related products and other services obtained from broker-dealers, or third parties, on a soft-dollar commission basis.

Security Benefit

When utilizing the Security Benefit program, be advised that your IAR may be acting as a RR of the broker dealer CAN. The fees and expenses charged by Security Benefit are therefore paid to the RR through CAN.

Alternative Investments

When utilizing the purchase of alternative investments, be advised that your IAR may be acting as a RR of the broker dealer CAN.

Trade Errors

TCM has implemented procedures designed to prevent trade errors; however, trade errors in client accounts cannot always be avoided. Consistent with our fiduciary duty, it is our policy to correct trade errors in a manner that is in the best interest of our clients. In cases where a client causes the trading error, the client will be responsible for any loss resulting from the correction. Depending on the specific circumstances of the trading error, the client may not be able to receive any gains generated as a result of the error correction. In all situations where the client does not cause the trading error, the client will be made whole, and TCM will absorb any loss resulting from the trading error if the error was caused by our firm. If the error is caused by the broker/dealer, the broker/dealer will be responsible for covering all trade error costs.

ITEM 13: REVIEW OF ACCOUNT



The underlying securities within the investment supervisory services are regularly monitored. These reviews will be made by your individual investment advisor and are reviewed by the supervisor in charge. An annual review is usually conducted in person or by telephone.

The purpose of all these reviews is to ensure that the investment plan continues to be implemented in a manner which matches your objectives and risk tolerances. More frequent reviews may be triggered by material changes in variables such as your individual circumstances, or the market, political or economic environment. You are urged to notify us of any changes in your personal circumstances.

Statements and Reports

You are urged to compare the reports provided by TCM against the account statements you receive directly from your account custodian. TCM will have the ability to provide clients with performance/position summary reports upon request. Reports may also be provided at every client meeting.

The custodian for the individual client's account will also provide clients with an account statement at least quarterly.

Financial planning clients (i.e., those who have no assets under management with us in our advisory program) will receive quarterly progress calls and an annual plan update.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

The IAR's of TCM receive a portion of the wrap fee paid by you for participation in the program. In addition, your IAR could also be licensed to offer insurance products and will receive customary commissions for the sale of such products should a client decide to make the purchase or sale through the TCM IAR which are not covered by the wrap fee program. When selling these products, a conflict of interest exists. This is due to commission payment or fee structure associated with the insurance business. Your IAR may have an incentive to affect an insurance transaction for the purpose of generating compensation rather than basing their recommendations solely on your needs. TCM mitigates this conflict by monitoring its IAR's outside business activities and their overall recommendations to you.

These products and other investments may be linked to your account statement. These investments are not a part of our wrap program and are excluded from the fee you pay unless included in our Managed by Triumph Capital at Security Benefit program, TTAMP program, Alternative Management program, or Variable Product Advisory Management program.

As disclosed under Brokerage Practices, TCM participates in TD Ameritrade's institutional customer program, and TCM may recommend TD Ameritrade to you for custody and brokerage services. There is no direct link between our participation in the program, and the investment advice TCM gives to our clients, although TCM receives economic benefits through our participation in the program that are typically not available to any other independent investment advisors participating in the program. These benefits include the following products and services (provided without cost or at a discount): receipt of



duplicate client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to client accounts); the ability to have advisory fees deducted directly from client accounts; access to an electronic communications network for client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to us by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by some of our related persons. Some of the products and services made available by TD Ameritrade through the program may benefit us but may not benefit your account. These products or services may assist us in managing and administering your account, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop our business enterprise. The benefits received by TCM or our personnel through participation in the program does not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of our fiduciary duties to clients, TCM endeavors always to put the interests of our clients first. You should be aware, however, that the receipt of economic benefits by TCM or our related persons in and of itself creates a potential conflict of interest and may indirectly influence our choice of TD Ameritrade for custody and brokerage services.

Because the amount of our compensation or the products or services we receive may vary depending on the custodian/broker-dealer we recommend being 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 always strive to act in your best interest.

From time to time, TCM may receive expense reimbursement for travel and/or marketing expenses from distributors of investment and/or insurance products. Travel expense reimbursements are typically a result of attendance at due diligence and/or investment training events hosted by product sponsors. Marketing-expense reimbursements are typically the result of informal expense sharing arrangements in which product sponsors may underwrite costs incurred for marketing such as advertising, publishing and seminar expenses. Although receipt of these travel and marketing expense reimbursements are not predicated upon specific sales quotas, the product sponsor reimbursements are typically made by those sponsors for whom sales have been made or it is anticipated sales will be made.

Outside Compensation

TCM may enter into written referral agreements with third parties by which the third party may, from time to time, refer clients that may establish accounts and enter advisory relationships with us. In such circumstances, TCM agrees to pay the third party a referral fee equal to a percentage of fees received by us from the referred client. The referral fee may be split between third parties who have jointly participated in referring a client to TCM. TCM makes disclosure of such referral arrangement, if any, to the client before entering into an advisory agreement. All referral agreements are governed by Rule 206(4)-3 under the Investment Advisers Act of 1940.



TCM only refers clients to professionals TCM believes are competent and qualified in their field, but it is ultimately the client's responsibility to evaluate the provider, and it is solely the client's decision whether to engage a recommended firm. Clients are under no obligation to purchase any products or services through these professionals, and TCM has no control over the services provided by another firm. Clients who chose to engage these professionals will sign a separate agreement with the other firm. Fees charged by the other firm are separate from and in addition to fees charged by TCM.

If the client desires, TCM will work with these professionals or the client's other advisers (such as an accountant or attorney) to help ensure that the provider understands the client's investments and to coordinate services for the client. TCM will never share information with an unaffiliated professional unless first authorized by the client.

ITEM 15: CUSTODY

Custody, as it applies to investment advisors, has been defined by regulators as having access or control over client funds and/or securities. In other words, custody is not limited to physically holding client funds and securities. If an investment advisor can access or control client funds or securities, the investment advisor is deemed to have custody and must ensure proper procedures are implemented. TCM is deemed to have custody of client funds and securities whenever TCM is given the authority to have fees deducted directly from client accounts. However, this is the only form of custody TCM will ever maintain. It should be noted that authorization to trade in client accounts is not deemed by regulators to be custody.

For accounts in which TCM is deemed to have custody, the firm has established procedures to ensure all client funds and securities are held by a qualified custodian in a separate account for each client under that client's name. Clients or an independent representative of the client will direct, in writing, the establishment of all accounts and therefore are aware of the qualified custodian's name, address and the way the funds or securities are maintained. Finally, account statements are delivered directly from the qualified custodian to each client, or the client's independent representative, at least quarterly. You should carefully review those statements and are urged to compare the statements against reports received from TCM. When you have questions about your account statements, you should contact TCM or the qualified custodian preparing the statement.

When fees are deducted from an account, TCM is responsible for calculating the fee and delivering instructions to the custodian. At the same time, TCM instructs the custodian to deduct fees from the client's account; TCM will send you a notification itemizing the fee.

ITEM 16: INVESTMENT DISCRETION

Prior to engaging TCM to provide investment advisory services, you will enter into a written agreement with us granting the firm the authority to supervise and direct, on an ongoing basis, investments in accordance with the client's investment objective and guidelines. In addition, you will need to execute additional documents required by the custodian so as to authorize and enable TCM, in its sole discretion,



without prior consultation with or ratification by you, to purchase, sell or exchange securities in and for your accounts. TCM is authorized, in our discretion and without prior consultation with you to (1) buy, sell, exchange and trade any investment company registered under the Investment Company Act of 1940 and (2) determine the amount of securities to be bought or sold and (3) place orders with the custodian. Any limitations on such authority will be communicated by you to us in writing.

The limitations on investment and brokerage discretion held by TCM for you are:

- For discretionary clients, TCM requires that we are provided with authority to determine which securities and the amounts of securities to be bought or sold, as well as the broker/dealer to be used and the commission rates to be paid.
- Any limitations on this discretionary authority shall be included in this written authority statement. You may change/amend these limitations as required. Such amendments shall be submitted in writing.

Research products and services received by us from broker-dealers will be used to provide services to all our clients.

ITEM 17: VOTING PROXIES AND CLIENT SECURITIES

TCM will not vote proxies under our limited discretionary authority. You are welcome to vote proxies or designate an independent third-party at your own discretion. You designate proxy voting authority in the custodial account documents. You must ensure that proxy materials are sent directly to you or your assigned third party. TCM does not act with respect to any securities or other investments that become the subject of any legal proceedings, including bankruptcies.

ITEM 18: FINANCIAL INFORMATION

This item is not applicable to this brochure. TCM does not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Therefore, TCM is not required to include a balance sheet for our most recent fiscal year. TCM is not subject to a financial condition that is reasonably likely to impair our ability to meet contractual commitments to clients. Finally, TCM has not been the subject of a bankruptcy petition at any time.