



8401 N. Central Expwy, Suite 300
Dallas, Texas 75225
972-934-2590
www.frontierinvest.com

SEC File Number: 801 – 36925

Form ADV Part 2A | Brochure
Dated January 30, 2017

This brochure provides information about the qualifications and business practices of Frontier Investment Management Company (“Frontier”). If there are any questions about the contents of this brochure, please contact us at (972) 934-2590 or jcafferata@frontierinvest.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Frontier Investment Management Company also is available on the SEC’s website at www.advisorinfo.sec.gov.

References herein to Frontier Investment Management Company as a “registered investment advisor” or any reference to being “registered” does not imply a certain level of skill or training.

ITEM 2 MATERIAL CHANGES

There have been no material changes made to Frontier Investment Management Company's disclosure statement since its annual amendment filing on March 29, 2016 and latest amendment dated November 28, 2016. Should there be any questions regarding the changes, or any other questions pertaining to this brochure, Frontier's Chief Compliance Officer, Jessica Cafferata, will remain available to address those.

ITEM 3 TABLE OF CONTENTS

ITEM 1	COVER PAGE	1
ITEM 2	MATERIAL CHANGES	2
ITEM 3	TABLE OF CONTENTS	2
ITEM 4	ADVISORY BUSINESS	3
ITEM 5	FEES AND COMPENSATION	7
ITEM 6	PERFORMANCE-BASED FEES	11
ITEM 7	TYPES OF CLIENTS	11
ITEM 8	METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISKS	11
ITEM 9	DISCIPLINARY INFORMATION	16
ITEM 10	OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	16
ITEM 11	CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING	16
ITEM 12	BROKERAGE PRACTICES	18
ITEM 13	REVIEW OF ACCOUNTS	23
ITEM 14	CLIENT REFERRALS AND OTHER COMPENSATION	23
ITEM 16	INVESTMENT DISCRETION	24
ITEM 17	VOTING CLIENT SECURITIES	26
ITEM 18	FINANCIAL INFORMATION	26

ITEM 4 ADVISORY BUSINESS

ADVISORY FIRM DESCRIPTION

Frontier Investment Management Company is an investment advisor registered with the United States Securities and Exchange Commission (“SEC”) since 1994 and is an S corporation formed under the laws of the State of Texas. Frontier is principally owned by Gary Schoen, Richard Sowden, and Brian Hattendorf. Gary Schoen is Frontier’s president.

DESCRIPTION OF ADVISORY SERVICES

As an SEC-registered advisor, Frontier is held to a fiduciary standard that obligates the firm to place client financial interests ahead of its own. Frontier provides a deeply resourced suite of wealth management solutions. Headquartered in Dallas, Frontier manages assets for individuals, families, and institutions. Over the years, the firm has added new talent and expertise to meet client needs for increasingly complex planning solutions.

Frontier shall provide investment advisory services specific to the needs of each client. Prior to providing investment advisory services, an investment advisor representative will ascertain each client’s investment objective(s). Thereafter, Frontier shall allocate and/or recommend that the client allocate investment assets consistent with the designated investment objective(s). The client may, at any time, impose reasonable restrictions, in writing, on Frontier’s services.

Frontier may also serve as a sub-advisor to unaffiliated registered investment advisors per the terms and conditions of a written sub-advisory agreement. The unaffiliated investment advisors that engage Frontier’s sub-advisory services maintain both the initial and ongoing day-to-day relationship with the underlying client, including initial and ongoing determination of client suitability for Frontier’s designated investment strategies.

INVESTMENT MANAGEMENT

At Frontier, we combine our strict valuation discipline with macroeconomic oversight to offer our clients access to a globally diverse mix of investments. Our process seeks to exploit market structure changes in search of improved risk-adjusted returns from a robust blend of securities and managed portfolios from across the globe. Our asset allocation approach focuses on capital preservation first and is grounded in our deep-seated conviction that risk is defined by the price paid for any asset.

We manage client accounts on a fully discretionary basis and tailor our advice for each client’s specific financial goals, objectives, risk tolerance and constraints. We select specific investments through a proprietary quantitative and qualitative screening process which determines specific investment options within the context of the asset allocation. We provide ongoing portfolio monitoring, evaluation, and rebalancing.

We often recommend investment in multiple asset classes including individual stocks and bonds, exchange-traded funds, and mutual funds. We may also use derivatives and alternative asset classes.

Frontier’s management process has three steps generally applicable to each program:

- Asset Allocation - determination of appropriate asset class allocation weightings based on each client’s specific goals and objectives while considering constraints and overall risk tolerance

- Investment Section - selection of specific investment vehicles through a proprietary quantitative and qualitative screening process, which determines specific investment options within the context of the asset allocation
- Portfolio Monitoring & Reporting - ongoing portfolio monitoring and evaluation. Portfolio rebalancing as necessary.

QUALIFIED AND ERISA PLAN MANAGEMENT AND CONSULTING

Participant Directed Retirement Plans

We may provide investment advisory and consulting services to participant directed retirement plans per the terms and conditions of a Retirement Plan Consulting Agreement between Frontier and the plan sponsor. For such engagements, Frontier shall assist the plan sponsor to select an investment platform from which plan participants shall make their respective investment choices, and, to the extent engaged to do so, shall provide corresponding education to assist the participants with their decision-making process.

ERISA Plan Engagements

We may also be engaged by plan sponsors to provide discretionary and/or non-discretionary investment advisory services to ERISA retirement plans, whereby we shall manage plan assets in the amount and objective as designated by the plan sponsor.

We acknowledge that we are performing fiduciary management and consulting services as defined under The Employee Retirement Income Security Act of 1974 (“ERISA”) either as a 3(38) fiduciary for non-discretionary engagements or as a 3(21) fiduciary for discretionary engagements. In either engagement, we will generally provide services on an “assets under management” fee basis per the terms and conditions of an Investment Advisory Agreement between the plan sponsors and Frontier.

SUB-ADVISER ENGAGEMENTS

Frontier may also serve as a sub-adviser to unaffiliated registered investment advisers per the terms and conditions of a written Sub-Advisory Agreement. With respect to its sub-advisory services, the unaffiliated investment advisers that engage Frontier's sub-advisory services maintain both the initial and ongoing day-to-day relationship with the underlying client, including initial and ongoing determination of client suitability for Frontier's designated investment strategies. If the custodian/broker-dealer is directed by the unaffiliated investment adviser and/or client, Frontier will be unable to negotiate commissions and/or transaction costs, and/or seek better execution. Thus, client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case through alternative clearing arrangements recommended by Frontier. Higher transaction costs adversely impact account performance.

FINANCIAL PLANNING SERVICES

We incorporate a consultative approach to financial planning that integrates tax, estate, risk management, investment, and lifestyle considerations in a comprehensive manner. It involves careful listening and understanding to lay the groundwork for a plan that will move clients forward. Our expertise encompasses retirement accumulation and distribution models, asset protection strategies, insurance suitability review, tax planning, charitable planning, business analysis and succession planning, education goal planning,

estate planning and wealth transfer and personal budgeting and cash flow. These services may be undertaken on a comprehensive or modular basis.

NON-INVESTMENT CONSULTING/IMPLEMENTATION SERVICES

To the extent requested by the client, Frontier *may* provide consulting services regarding non-investment related matters, such as estate planning, tax planning, insurance, etc. Neither Frontier, nor any of its representatives, serves as an attorney or accountant, and no portion of Frontier's services should be construed as same. To the extent requested by a client, Frontier may recommend the services of other professionals for certain non-investment implementation purposes (i.e. attorneys, accountants, insurance agents, etc.), including certain representatives of Frontier in their separate licensed capacities as insurance agents as discussed below. The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Frontier. If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. It remains the client's responsibility to promptly notify Frontier if there is ever any change in his/her/its financial situation or investment objectives for purposes of reviewing/evaluating/revising Frontier's previous recommendations and/or services.

CLIENT CONSIDERATIONS

FIDUCIARY ACKNOWLEDGMENT

If a client is: (1) a participant or beneficiary of a retirement plan subject to Title I of the Employee Retirement Income Security Act ("ERISA") or described in section 4975(e)(1)(A) of the Internal Revenue Code (the "Code"), with authority to direct the investment of assets in his or her plan account or to take a distribution; (2) the beneficial owner of an Individual Retirement Account ("IRA") acting on behalf of the IRA; or, (3) a retail fiduciary with respect to a plan subject to Title I of ERISA or described in section 4975(e)(1)(A) of the Code, then we as advisers represent that we and our investment adviser representatives are fiduciaries under ERISA or the Code, or both, with respect to any investment advice provided by us as adviser or our investment adviser representatives or with respect to any investment recommendations regarding a retirement plan subject to ERISA or participant or beneficiary account. The client's/clients' failure to terminate the relationship within 30 days constitutes client assent.

RETIREMENT ROLLOVERS - NO OBLIGATION/CONFLICT OF INTEREST

A client leaving an employer typically has four options (and may engage in a combination of these options: i) leave the money in former employer's plan, if permitted, ii) roll over the assets to new employer's plan, if one is available and rollovers are permitted, iii) rollover to an IRA, or iv) cash out the account value (which could, depending upon the client's age, result in adverse tax consequences). Frontier may recommend an investor roll over plan assets to an Individual Retirement Account (IRA) managed by Frontier. Thus, Frontier and its representatives may earn an asset-based fee.

In contrast, a recommendation that a client or prospective client leave his or her plan assets with his or her old employer or roll the assets to a plan sponsored by a new employer will generally result in no compensation to Frontier (unless the client engages Frontier to monitor and/or manage the account while maintained at the client's employer).

Frontier has an economic incentive to encourage an investor to roll plan assets into an IRA that Frontier will manage or to engage Frontier to monitor and/or manage the account while maintained at the client's

employer. There are various factors that Frontier may consider before recommending a rollover, including but not limited to: i) the investment options available in the plan versus the investment options available in an IRA, ii) fees and expenses in the plan versus the fees and expenses in an IRA, iii) the services and responsiveness of the plan's investment professionals versus Frontier, iv) protection of assets from creditors and legal judgments, v) required minimum distributions and age considerations, and vi) employer stock tax consequences, if any.

No client is under any obligation to rollover plan assets to an IRA managed by Frontier or to engage Frontier to monitor and/or manage the account while maintained at the client's employer. If Frontier's engagement will include the management of the client's retirement account per the same fee schedule set forth in Item 5 below, regardless of custodian or the client's decision to process a rollover, the above economic incentive to recommend a rollover is moot. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client may have regarding its prospective engagement and the corresponding conflict of interest presented by such engagement.

eMONEY

Frontier may also provide the client with access to *eMoney*, which can incorporate all the client's investment assets, including those investment assets that are not part of the assets that Frontier manages (the "excluded assets"). The client and/or his/her/its other advisors that maintain trading authority, and not Frontier, shall be exclusively responsible for the investment performance of the excluded assets. The client may engage Frontier to manage the excluded assets pursuant to the terms and conditions of the Investment Advisory Agreement between Frontier and the client.

In conjunction with the services provided by *eMoney*, Frontier may also provide access to account aggregation services, which can incorporate all the client's investment assets, including those investment assets that are not part of the assets that we manage (the "excluded assets"). The client and/or the client's other advisors that maintain trading authority, and not us, shall be exclusively responsible for the investment performance of the excluded assets. In addition, *eMoney* will also provide access to other types of information, including financial planning concepts, which should not, in any manner whatsoever, be construed as services, advice or recommendations provided by Frontier. Frontier does not provide investment management, monitoring or implementation services for the excluded assets. The client may engage Frontier to provide investment management services for the excluded assets pursuant to the terms and conditions of the *Investment Advisory Agreement* between Frontier and the client.

CLIENT OBLIGATIONS

In performing its services, Frontier shall not be required to verify any information received from the client or from the client's other professionals, and is expressly authorized to rely thereon. Moreover, each client is advised that it remains his/her/its responsibility to promptly notify Frontier if there is ever any change in his/her/its financial situation or investment objectives for reviewing/evaluating/revising Frontier's previous recommendations and/or services.

DISCLOSURE STATEMENT

A copy of Frontier's written Brochure as set forth on Part 2A of Form ADV shall be provided to each client prior to, or contemporaneously with, the execution of the *Investment Management Agreement* or *Financial Planning Agreement*.

CLIENT ASSETS UNDER MANAGEMENT

At December 31, 2016, we had \$1,852,222,443 of discretionary assets under management.

ITEM 5 FEES AND COMPENSATION

INVESTMENT MANAGEMENT FEES

Each client executes an Investment Management Agreement and Financial Planning Agreement (if applicable) outlining the scope of services we will provide and the fees we will charge for those services.

Frontier's annual investment advisory fee shall be prorated and paid quarterly, in advance, based upon the market value of the assets on the last business day of the previous quarter.

Frontier does not participate in a wrap fee program. A wrap fee is a program where a client is charge a specified fee(s) not based directly on transactions in a client's account for investment advisory services (which may include portfolio management or advice concerning the selection of other advisers) and execution of client transactions. For example, a client pays a single fee for management, brokerage, custody, and other services. If the firm determines to purchase mutual funds as a sponsor of a wrap program, the firm shall assume the costs of all transaction fees. Accordingly, the firm would have an economic disincentive to purchase transaction fee institutional class shares in favor of the no-transaction fee retail shares, thereby creating a conflict of interest if the intuitional class shares were available and appropriate for the client (considering such factors as the intended purchase amount, the amount of the transaction fee, the difference in expense ratios, and the intended holding period). This situation, and potential corresponding conflict, would require clear and conspicuous disclosure to all wrap program clients on the corresponding ADV Brochure and Appendix.

In limited and unique circumstances, fees may be negotiable based on the client's financial situation and circumstances, the amount of assets under management, the overall complexity of the services provided and investment allocation.

Frontier calculates its management fee against all assets in the investment account, unless specifically excluded. Therefore, fee calculations include cash balances invested in money market funds, short-term investment funds, exchange traded funds, mutual funds, and all other investment holdings. The exact services and fees will be agreed upon and disclosed in the Investment Management Agreement prior to services being provided.

Clients may elect to have Frontier's advisory fees deducted from their custodial account (or plan assets if ERISA plan engagement). For ERISA plan engagements, trustees may choose to be billed and pay the fee from outside plan assets. Both Frontier's Investment Management Agreement and the custodial/clearing agreement may authorize the custodian to debit the account for Frontier's investment advisory fee and to directly remit that management fee to Frontier in compliance with regulatory procedures. In the limited event that Frontier bills the client directly, payment is due upon receipt of Frontier's invoice. Frontier shall deduct fees and/or bill clients quarterly in advance, based upon the market value of the assets on the last business day of the previous quarter.

Frontier, in its sole discretion, may charge a lesser investment management fee and/or waive or reduce its minimum fee or asset requirement based upon certain criteria (i.e. anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, negotiations with client, etc.). If the client maintains less than the indicated minimum account size and is subject to the corresponding annual minimum fee, the client will pay a higher percentage annual fee than the percentage fee referenced in the below fee schedule.

Frontier believes that its annual investment management fee is reasonable in relation to: (1) the advisory services provided under the *Investment Advisory Agreement*; and (2) the fees charged by other investment advisors offering similar services/programs. However, Frontier's annual investment management fee may be higher than that charged by other investment advisors offering similar services/programs. In addition to Frontier's annual investment management fee, the client may also incur charges imposed directly at the mutual and exchange traded fund level (e.g., management fees and other fund expenses). Frontier's investment programs may involve above-average portfolio turnover which could negatively impact upon the net after-tax gain experienced by an individual client in a taxable account.

DISCRETIONARY ACCOUNT AND PARTICIPANT DIRECTED RETIREMENT PLAN MANAGEMENT FEES

The following is a *sample* fee schedule provided for illustrative purposes:

<u>Assets Under Management</u>	<u>% of Assets</u>
\$500,000 - \$750,000	1.25%
\$750,001 - \$2,000,000	1.00%
\$2,000,000+	0.85%

Minimum account size: \$500,000
Minimum annual fee: \$6,250

ERISA PLAN ENGAGEMENTS

The following is a *sample* fee schedule provided for illustrative purposes:

<u>Assets Under Management</u>	<u>% of Assets</u>
\$500,000 - \$5,000,000	.50%
\$5,000,001 - \$10,000,000	.45%
\$10,000,001 - \$15,000,000	.40%
\$15,000,001+	Negotiable

Minimum account size: \$500,000
Minimum annual fee: \$2,500

If a client maintains less than the indicated minimum account size and is subject to the corresponding annual minimum fee, that client will pay a higher percentage annual fee than the percentage fee referenced in the above fee schedules.

BROKERAGE FEES/TRANSACTION FEES

Brokerage fees and/or transaction ticket fees charged by the custodian will be billed directly to each client's account. We do not receive any portion of such commissions or fees from the custodian or from clients. Management fees charged by Frontier are separate and distinct from the fees and expenses charged by mutual funds, exchange traded funds or investment securities that may be recommended to clients. A description of these fees and expenses are available in each investment company security's prospectus.

Charles Schwab and TD Ameritrade offer reduced transaction fee charges to clients who elect to receive electronic trade confirmations and account statements rather than by regular mail. Unless clients advise the custodian to the contrary, in writing, the custodian defaults to trade confirmations and accounts statements being delivered by regular mail.

MUTUAL FUND AND ETF FEES

Investment managers of mutual funds and ETFs will generally be entitled to a fee based on net assets under management. Any such fees charged by an investment manager of a mutual fund or ETF are in addition to the Frontier management fee and will reduce the client's assets accordingly.

The vast majority of custodians offer two share classes of open-end mutual funds for the firm's client accounts:

- Retail shares - are generally available for purchase without a transaction fee, but typically have a higher internal expense ratio than institutional class shares;
- Institutional class shares - typically have a lower internal expense ratio than the retail share class, but generally require the payment of a transaction fee. Some institutional shares require a minimum dollar purchase that may not be applicable and/or practical for certain clients.

Even though the transaction fees are payable to the account custodian, and not the firm or any of its members, the firm must still undertake a review to determine what share class is most appropriate for the client, considering such factors as the intended purchase amount, the amount of the transaction fee, the difference in expense ratios, the intended holding period, and the availability of the institutional share class.

The firm generally buys mutual funds as an intended longer-term investment vehicle (greater than one year). Accordingly, if the institutional share class is both available and practical for the client, and the expense ratio savings justifies the payment of the transaction fee, the firm will generally purchase institutional shares for its client accounts. Although the firm generally buys mutual funds with the anticipation of a holding period more than one year, if the client's, the market's, or a particular fund's situation dictates, the firm could sell an institutional class share fund prior to the applicable holding period necessary for the expense ratio savings justifies the payment of the transaction fee.

ENVESTNET

Frontier TRS Absolute Value ("TRS") participates in the Envestnet Third Party SMA Models Program ("Envestnet Program") as a model provider. Pursuant to the Envestnet Program, certain investment advisors or other financial institutions engage Envestnet Asset Management, Inc. ("Envestnet") to directly trade assets of the advisors per the investment models of one or more investment management firms that have agreed to provide such models to Envestnet for use. The TRS model allocation is provided to Envestnet pursuant to a non-exclusive, non-transferable License Agreement in which Envestnet has a limited right to use the TRS model for performing its duties in the Envestnet Program."

CROSS TRANSACTIONS

In limited circumstances, Frontier may engage in a cross-transaction pursuant to which Frontier may effect transactions between two of its managed client accounts (i.e., arranging for the clients' securities trades by "crossing" these trades when Frontier believes that such transactions are beneficial to its clients). For all such transactions, neither Frontier nor any affiliate will be acting as a broker, and will not receive any commission or transaction-based compensation. The client may revoke Frontier's cross-transaction authority at any time upon written notice to Frontier. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above.

TERMINATION OF AGREEMENT

The Investment Management Agreement between Frontier and the client will continue in effect until terminated by either party by written notice in accordance with the terms of the Investment Management Agreement. Upon termination and request by client, Frontier shall refund the pro-rated portion of the advanced advisory fee paid based upon the number of days remaining in the billing quarter.

BROKER-DEALER/CUSTODIAN

As discussed below, unless the client directs otherwise or an individual client's circumstances require, Frontier shall generally recommend that Charles Schwab and Co., Inc. ("Schwab") or TD Ameritrade, Inc. ("Ameritrade") serve as the broker-dealer/custodian for client investment management assets. Broker-dealers such as Schwab and Ameritrade charge brokerage commissions and/or transaction fees for effecting certain securities transactions (i.e. transaction fees are charged for certain no-load mutual funds, commissions are charged for individual equity and fixed income securities transactions). In addition to Frontier's investment management fee, brokerage commissions and/or transaction fees, clients will also incur, relative to all mutual fund and exchange traded fund purchases, charges imposed at the fund level (e.g. management fees and other fund expenses). When beneficial to the client, individual fixed-income and/or equity transactions may be effected through other broker-dealers. In such event, the client generally will incur both the transaction fee charged by the executing broker-dealer and a "trade-away" fee charged by Schwab or Ameritrade. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above arrangements.

FINANCIAL PLANNING SERVICES AND FEES

To the extent requested by a client and mutually agreed upon in an engagement letter, Frontier may provide financial planning and/or consulting services on a stand-alone separate fee basis. Frontier's planning and consulting fees will vary by engagement, but will generally range from \$2,000 to \$4,000 on a fixed fee basis (underlying hourly rate of \$250), depending upon the level and scope of the service(s) required and the professional(s) rendering the service(s). Prior to engaging Frontier to provide planning or consulting services, clients are generally required to enter into a *Financial Planning Agreement* with Frontier setting forth the terms and conditions of the engagement (including termination), describing the scope of the services to be provided, and the portion of the fee that is due from the client prior to Frontier commencing services.

If requested by the client, Frontier may recommend the services of other professionals for implementation purposes, including certain of Frontier's representatives in their individual capacities as licensed insurance agents (see disclosure below at Item 10). The client is under no obligation to engage the services of any such recommended professional. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any recommendation from Frontier. If the client engages any such recommended professional, and a dispute arises thereafter relative to such engagement, the client agrees to seek recourse exclusively from and against the engaged professional. The client shall defend, indemnify, and hold Frontier harmless from any and all actual or alleged claims, demands, causes of action, liability, loss, damage/injury to property or persons whether brought by an individual, entity, court of law, or administrative action arising out of or incident to any acts, omissions, negligence, or willful misconduct of the recommended professional(s). It remains the client's responsibility to promptly notify Frontier if there is ever any change in his/her/its financial situation or investment objectives for reviewing/evaluating/revising Frontier's previous recommendations and/or services.

ITEM 6 PERFORMANCE-BASED FEES

Neither Frontier nor any supervised person of Frontier accepts performance-based fees; although Frontier maintains one legacy performance fee arrangement. Frontier is free to engage at its discretion in a performance-based fee arrangement in the future.

ITEM 7 TYPES OF CLIENTS

Frontier provides investment advisory services to individuals, banks or thrift institutions, investment companies, business entities, pension and profit sharing plans, trusts, estates, and charitable organizations.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISKS

METHODS OF ANALYSIS

INVESTMENT APPROACH AND PHILOSOPHY

Each portfolio is keyed to an individual's personal tolerance for risk in pursuit of total return. The client's advisor plays a key role in guiding the client toward a comprehensive wealth management solution that is ongoing, cost-efficient and customized per the client's goals and objectives.

Offering an institutional level of investment expertise, each member of our investment committee is responsible and accountable for specific strategies throughout the firm's exacting decision-making process.

Multiple asset classes provide broad exposure to major investment categories. Multiple sectors allow for greater flexibility in making portfolio adjustments to suit current conditions. Multiple money managers in the form of third-party managers, mutual funds and managed accounts offer an added measure of diversification.

INVESTMENT MANAGEMENT

Frontier primarily allocates client investment assets among various individual equity (stocks), fixed income securities (bonds), mutual funds and/or exchange traded funds on a discretionary basis in accordance with the client's designated investment objective(s).

Frontier may allocate investment management assets of its client accounts, on a discretionary basis, among one or more asset allocation programs. The asset allocation programs comply with the requirements of Rule 3a-4 of the Investment Company Act of 1940. Rule 3a-4 provides similarly managed investment programs, with a non-exclusive safe harbor from the definition of an investment company. In accordance with Rule 3a-4, the following disclosure is specifically applicable to Frontier's management of client assets:

- Initial Interview - at the opening of the account, Frontier, through its designated representatives, shall obtain from the client information sufficient to determine the client's financial situation and investment objectives;
- Individual Treatment - the client's account is managed based on the client's financial situation and investment objectives;

- Annual Contact - at least annually, Frontier shall contact the client to determine whether the client's financial situation or investment objectives have changed, or if the client wants to impose and/or modify any reasonable restrictions on the management of his/her/its account;
- Consultation Available - Frontier shall be reasonably available to consult with the client relative to the status of the client's account;
- Quarterly Statement - the client shall be provided with a quarterly report for the account for the preceding period;
- Ability to Impose Restrictions - the client can impose reasonable restrictions on the management of the account, including the ability to instruct Frontier not to purchase certain securities and/or mutual funds;
- No Pooling - the client's beneficial interest in a security does not represent an undivided interest in all the securities held by the custodian, but rather represents a direct and beneficial interest in the securities which comprise the client's account;
- Separate Account - a separate account is maintained for the client with the Custodian; and
- Ownership - each client retains ownership of the account (e. g. right to withdraw securities or cash, exercise or delegate proxy voting, and receive transaction confirmations).

MARKET ANALYSIS

We perform market analysis through a thorough review of research sources and personal contacts, as well as the use of techniques such as:

- Value - Value investors seek stocks they believe the market has undervalued resulting in stock price movements that do not correspond with a company's long-term fundamentals, giving an opportunity to profit when our price target is met.
- Fundamental - Analysis of a company's revenue growth, debt-to-equity ratio, inventory turnover, and examination of income statement, earnings releases, balance sheet, other economic health indicators to make financial estimates, etc.
- Charting - The use of charts to analyze price and volume data for a specific security to forecast market prices, trends, and trend reversals. Through mathematical computation, the results are plotted graphically on charts to predict patterns and movement.
- Technical - Evaluate securities through the study of historical and present market data focusing on price movement and trade volume to forecast the direction of prices.

INVESTMENT STRATEGIES

Frontier may utilize the following investment strategies when implementing investment advice and managing client assets:

- Long-term purchases - investments held for at least a year and a day
- Short-term purchases - investments sold within a year
- Trading - selling securities within 30 days of purchasing the same securities
- Option Strategies - contracts that give the purchaser the right to buy or sell a security at a fixed price at a given time. Frontier utilizes buying/selling puts/calls and various strategies to hedge and to increase/decrease market exposure.
- Short Sales - contracted sale of borrowed securities with an obligation to make the lender whole

RISKS

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

Investing in securities (including stocks, mutual funds, ETFs, and bonds) carries a risk of loss and Frontier does not guarantee that our services or methods of analysis can or will predict future results, successfully identify market tops or bottoms, or insulate clients or prospective clients from losses due to market corrections or decline. We do not offer any guarantees, promises, or even imply that a client's/prospective client's financial goals and objectives will be met. Past performance is not an indicator of future performance.

Frontier will not be liable to clients for any loss that our clients may suffer by investment decisions made or other actions taken in good faith by Frontier with the degree of care, skill, prudence, and diligence under the circumstances that prudent person acting in a fiduciary capacity would utilize.

Risks to our managed account clients may include, but are not necessarily limited to, the following:

LONG-TERM PURCHASES, SHORT-TERM PURCHASES, AND TRADING

Frontier's primary investment strategies - Long Term Purchases, Short Term Purchases, and Trading - are fundamental investment strategies. However, every investment strategy has its own inherent risks and limitations. For example, longer term investment strategies require a longer investment time period to allow for the strategy to potentially develop. Shorter term investment strategies require a shorter investment time period to potentially develop but, because of more frequent trading, may incur higher transactional costs when compared to a longer-term investment strategy. Trading, an investment strategy that requires the purchase and sale of securities within a thirty (30) day investment time period, involves a very short investment time period but will incur higher transaction costs when compared to a short-term investment strategy and substantially higher transaction costs than a longer-term investment strategy.

MARKET RISK/SYSTEMIC RISK

Either the stock market as a whole or the value of an individual company because of moves in the overall market goes down resulting in a decrease in the value of the client's investments.

EQUITY/STOCK MARKET RISK

Common stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in share price as market confidence in and perceptions of the issuer change. The value of investments held in a client account will fluctuate daily and cyclically based on changes in the issuer's financial condition and prospects and on overall market and economic conditions.

COMPANY RISK/UNSYSTEMATIC RISK

When investing in stock positions, there is company/industry specific risk that is inherent. There is risk that the company will perform poorly or have its value reduced based on industry or company-specific factors. Diversification can help reduce this risk.

FIXED INCOME RISK

The prices of fixed-income securities respond to economic developments and particularly interest rate changes and perceptions of an issuer's creditworthiness. Investing in bonds poses risk that the issuer will default on the bond and be unable to make payments. Individuals who depend on set amount of interest income face risk that inflation may erode spending power. Fixed-income investors receive set, regular payments that face this same inflation risk. Prepayment risk occurs when prior to a bond maturity date, the issuer of the bond prepays (calls) the bonds because interest rates have declined. Therefore, underlying bond funds may have to reinvest the proceeds in bonds with lower interest rates which can reduce return. However, not all bonds can be prepaid.

ETF AND MUTUAL FUND RISK

The risk of owning an ETF or mutual fund reflects the risk of owning the underlying securities the ETF or fund hold. Managers of a mutual fund or ETF may misjudge the market or the risk inherent in the market. Frontier has no direct control over the management of any mutual funds or ETFs. Mutual funds reserve the right to reject purchases or delay redemptions, sometimes after the purchase decision is made. These rights may affect efforts to manage the model portfolio's risk. It is possible for the value of a mutual fund to fall or rise at a different pace than the stock market as a whole and may not correlate with the stock market. Risk is involved in fund selection and timing of trades. Mutual fund shares can be traded only at the end of each day, potentially worsening losses on day of steep overall market declines. Shares in an ETF can be bought and sold throughout the day like stocks through a broker dealer. Purchases and redemptions of ETF shares trade like stocks and are handled directly from the ETF, but only in large blocks. ETFs may trade at a premium or a discount to its net asset value. Our strategy of investing in ETFs could affect the timing, amount, and character of distributions and may affect the client's tax liability.

SHORT SELLING

Short selling is an investment strategy with a high level of inherent risk. Short selling, involves the selling of assets that the investor does not own. The investor borrows the assets from a third-party lender (i.e. Broker-Dealer) with the obligation of buying identical assets later to return to the third-party lender. Individuals who engage in this activity shall only profit from a decline in the price of the assets between the original date of sale and the date of repurchase. Conversely, the short seller will incur a loss if the price

of the assets rises. Other costs of shorting may include a fee for borrowing the assets and payment of any dividends paid on the borrowed assets.

MARGIN

A margin transaction occurs when an investor uses borrowed assets to purchase financial instruments. The investor generally obtains the borrowed assets by using other securities as collateral for the borrowed sum. The effect of purchasing a security using margin is to magnify any gains or losses sustained by the purchase of the financial instruments on margin. To the extent that a client authorizes the use of margin, and margin is thereafter employed by Frontier in the management of the client's investment portfolio, the market value of the client's account and corresponding fee payable by the client to Frontier may be increased. Thus, in addition to understanding and assuming the additional principal risks associated with the use of margin, clients authorizing margin are advised of the potential *conflict of interest* whereby the client's decision to employ margin *may* correspondingly increase the management fee payable to Frontier. Accordingly, the decision as to whether to employ margin is left totally to the discretion of client.

OPTIONS

The use of options transactions as an investment strategy involves a high level of inherent risk. Option transactions establish a contract between two parties concerning the buying or selling of an asset at a predetermined price during a specific period of time. During the term of the option contract, the buyer of the option gains the right to demand fulfillment by the seller. Fulfillment may take the form of either selling or purchasing a security depending upon the nature of the option contract. Generally, the purchase or the recommendation to purchase an option contract by Frontier shall be with the intent of offsetting/ "hedging" a potential market risk in a client's portfolio. Although the intent of the options-related transactions that may be implemented by Frontier is to hedge against principal risk, certain of the options-related strategies (i.e. straddles, short positions, etc.) may, in and of themselves, produce principal volatility and/or risk. Thus, a client must be willing to accept these enhanced volatility and principal risks associated with such strategies. Considering these enhanced risks, client may direct Frontier, in writing, not to employ any or all such strategies for his/her/their/its accounts.

CONCENTRATION RISK

Some client accounts may hold a concentrated position in a relatively small number of securities. Losses incurred in such securities could have a disproportionate effect on the account's overall financial condition.

FOREIGN SECURITIES

Foreign investments may be adversely affected by changes in currency rates and exchange control regulations, unfavorable political, social, and economic developments and the possibility of seizure or nationalization of companies or imposition of withholding taxes on income. Furthermore, less information may be publicly available compared to U.S. company information. Foreign markets tend to be more volatile than U.S. markets due to economic and political instability, social unrest and regulatory conditions in some countries.

COMMODITIES

The value of commodities may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or risks affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments.

ITEM 9 DISCIPLINARY INFORMATION

Frontier has not been the subject of any disciplinary actions.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither Frontier, nor its representatives, are registered or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither Frontier, nor its representatives, are registered or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or a representative of the foregoing.

Frontier does not receive, directly or indirectly, compensation from investment advisors that it recommends or selects for its clients.

LICENSED INSURANCE AGENTS

Certain of Frontier's representatives, in their individual capacities, are licensed insurance agents, and may recommend the purchase of certain insurance-related products on a commission basis. As referenced in Item 4 above, clients can engage certain of Frontier's representatives to purchase insurance products on a commission basis.

The recommendation by Frontier's representatives that a client purchase an insurance commission product presents a *conflict of interest*, as the receipt of commissions may provide an incentive to recommend investment products based on commissions to be received, rather than on a particular client's need. No client is under any obligation to purchase any commission products from Frontier's representatives. Clients are reminded that they may purchase insurance products recommended by Frontier through other, non-affiliated insurance agents. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above conflict of interest.

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

CODE OF ETHICS

Frontier has adopted a Code of Ethics which describes the professional standards of conduct expected of all employees to protect client interest always and demonstrate our commitment to our fiduciary duties of honesty, good faith and fair dealing. The Code of Ethics is designed to ensure high ethical standards are applied by Frontier employees. Frontier and its employees owe a fiduciary duty to Frontier's clients to preclude activities which may lead or give rise to (i) the appearance of conflicts of interest and (ii) insider trading and other form of prohibited or unethical business conduct.

All employees are expected to adhere strictly to these guidelines and to report violations of the Advisor's Privacy Policy. Frontier's policies are monitored and enforced to prevent the misuse or dissemination of material, non-public information about clients or their account holdings by the advisor or any associated person. Violations may result in disciplinary sanctions including termination.

The excellent name reputation of our firm continues to be a direct reflection of the conduct of each employee. This section is a brief summary of our Code of Ethics. Clients may receive a complete copy upon request.

- Clients' interest must be placed above Frontier's or any employee's interest, unless otherwise stipulated in the applicable advisory agreement
- Frontier and its employees must comply with all applicable federal and state laws and regulations
- Employees must comply with all policies and procedures established by Frontier to ensure compliance with applicable federal and state laws and regulations
- Frontier must disclose all material facts of which it is aware about conflicts of interest between the firm or our employees and our clients
- Employees must disclose any activities that may create an actual or potential conflict of interest between the employee, Frontier and/or any client
- Employees must not take inappropriate advantage of their positions of trust and responsibility with clients or Frontier
- Employees must maintain confidentiality of all information obtained during employment with Frontier

MISUSE OF NONPUBLIC INFORMATION

In accordance with Section 204A of the Investment Advisors Act of 1940, Frontier also maintains and enforces written policies reasonably designed to prevent the misuse of material non-public information by Frontier or any person associated with Frontier.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

Neither Frontier nor any related person of Frontier recommends, buys, or sells for client accounts, securities in which Frontier or any related person of Frontier has a material financial interest.

Frontier and/or representatives of Frontier *may* buy or sell securities that are also recommended to clients. This practice may create a situation where Frontier and/or representatives of Frontier can materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. Practices such as "scalping" (i.e., a practice whereby the owner of shares of a security recommends that security for investment and then immediately sells it at a profit upon the rise in the market price which follows the recommendation) could take place if Frontier did not have adequate policies in place to detect such activities. In addition, this requirement can help detect insider trading, "front-running" (i.e., personal trades executed prior to those of Frontier's clients) and other potentially abusive practices.

PERSONAL TRADING

Frontier maintains an investment policy relative to personal securities transactions. This investment policy is part of Frontier's overall Code of Ethics, which serves to establish a standard of business conduct for all of Frontier's representatives that is based upon fundamental principles of openness, integrity, honesty and trust, a copy of which is available upon request.

Frontier's personal securities transaction policy monitors the personal securities transactions and securities holdings of each of Frontier's "Access Persons". Frontier's securities transaction policy requires that an Access Person of Frontier must provide the Chief Compliance Officer or his/her designee with a written report of their current securities holdings within ten (10) days after becoming an Access Person.

Additionally, each Access Person must provide the Chief Compliance Officer or his/her designee with a written report of the Access Person's current securities holdings at least once each twelve (12) month period thereafter on a date Frontier selects; provided, however that at any time that Frontier has only one Access Person, he or she shall not be required to submit any securities report described above.

Frontier and/or representatives of Frontier *may* buy or sell securities, at or around the same time as those securities are recommended to clients. This practice creates a situation where Frontier and/or representatives of Frontier can materially benefit from the sale or purchase of those securities. Therefore, this situation creates a potential conflict of interest. As indicated above, Frontier has a personal securities transaction policy in place to monitor the personal securities transaction and securities holdings of each of Frontier's Access Persons.

OUTSIDE BUSINESS ACTIVITIES

Employees are required to obtain the approval from the Chief Compliance Officer prior to engaging in any outside business activity. Outside business activities may include but are not limited to employment or contract work, teaching assignments, speaking engagements, publication of articles or books, radio or television appearances, and any other activity that involves a substantial time commitment on the part of the employee. The Chief Compliance Officer may prohibit activities believed to pose a significant conflict of interest with our clients.

ITEM 12 **BROKERAGE PRACTICES**

SELECTING CUSTODIANS AND BROKER/DEALERS

If the client requests that Frontier recommend a broker-dealer/custodian for execution and/or custodial services (exclusive of those clients that may direct Frontier to use a specific broker-dealer/custodian), Frontier generally recommends that investment management accounts be maintained at *Schwab* and/or *Ameritrade*. Prior to engaging Frontier to provide investment management services, the client will be required to enter a formal *Investment Management Agreement* with Frontier setting forth the terms and conditions under which Frontier shall manage the client's assets, and a separate custodial/clearing agreement with each designated broker-dealer/custodian.

Factors that Frontier considers in recommending *Schwab* and/or *Ameritrade* (or any other broker-dealer/custodian to clients) include historical relationship with Frontier, financial strength, reputation, execution capabilities, pricing, research, and service. Although the commissions and/or transaction fees paid by Frontier's clients shall comply with Frontier's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Frontier determines, in good faith, that the commission/transaction fee is reasonable in relation to the value of the brokerage and research services received. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Frontier will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Frontier's investment management fee. Neither Frontier, nor any of its principals or representatives will receive any portion of the brokerage commissions or transactions fees charged to clients. Frontier's best execution responsibility is qualified if securities that it purchases for client accounts are mutual funds that trade at net asset value as determined at the daily market close.

In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of broker-dealer services, including the value of research provided, execution capability, commission rates, and responsiveness. Accordingly, although Frontier will seek competitive rates, it may not necessarily obtain the lowest possible commission rates for client account transactions. Although the investment research products or services that may be obtained by Frontier will generally be used to service all of Frontier's clients, a brokerage commission paid by a specific client may be used to pay for research that is not used in managing that specific client's account.

SOFT DOLLAR ARRANGEMENT

In return for effecting securities transactions through a designated broker-dealer/custodian, Frontier may receive certain investment research products or services which assist Frontier in its investment decision making process for the client pursuant to Section 28(e) of the Securities Exchange Act of 1934 (generally referred to as a "soft-dollar" arrangement). Investment research products or services may include, but are not limited to, analyses pertaining to specific securities, companies or sectors; market, financial and economic studies and forecasts; financial publications, portfolio management systems, and statistical and pricing services. Frontier maintains a soft dollar arrangement with *Schwab*. Frontier currently uses the soft dollars to obtain products and services from Bloomberg and Institutional Shareholder Services. Although the commissions/transaction fees paid by Frontier's clients shall comply with Frontier's duty to obtain best execution, a client may pay a commission that is higher than another qualified broker-dealer might charge to effect the same transaction where Frontier determines, in good faith, that the commission is reasonable in relation to the value of the brokerage and research services received.

With respect to investment research products or services obtained by Frontier that have a mixed use of both a research and non-research (i.e., administrative, etc.) function, Frontier shall make a reasonable allocation of the cost of the product or service according to its use - the percentage of the product or service that provides assistance to Frontier's investment decision-making process will be paid for with soft dollars while that portion which provides administrative or other non-research assistance will be paid for by Frontier with hard dollars. The brokerage commissions or transaction fees charged by the designated broker-dealer/custodian are exclusive of, and in addition to, Frontier's investment management fee. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective may have regarding the above conflict of interest.

NON-SOFT DOLLAR RESEARCH AND ADDITIONAL BENEFITS

Although not a material consideration when determining whether to recommend that a client utilize the services of a particular broker-dealer/custodian, Frontier may receive from *Schwab* and/or *Ameritrade* (or another broker-dealer/custodian or vendor) without cost (and/or at a discount) support services and/or products, certain of which assist Frontier to better monitor and service client accounts maintained at such institutions. Included within the support services that may be obtained by Frontier may be investment-related research, pricing information and market data, software and other technology that provide access to client account data, compliance and/or practice management-related support and/or publications, discounted or gratis consulting services, discounted and/or gratis attendance at conferences, meetings, and other educational and/or social events, marketing support, computer hardware and/or software and/or other products used by Frontier in furtherance of its investment advisory business operations. Included in the above is an approximate \$3,900 monetary contribution from Schwab for compliance-related expenses incurred by Frontier in 2017.

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

Frontier's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* and/or *Ameritrade* because of this arrangement. There is no corresponding commitment made by Frontier to *Schwab* and/or *Ameritrade* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities or other investment products because of the above arrangement. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

AMERITRADE INSTITUTIONAL CUSTOMER PROGRAM

Frontier participates in the institutional advisor program (the "Program") offered by TD Ameritrade Institutional. TD Ameritrade Institutional is a division of TD Ameritrade Inc., member FINRA/SIPC, an unaffiliated SEC-registered broker-dealer and FINRA member. *Ameritrade* offers to independent investment advisors services which include custody of securities, trade execution, clearance, and settlement of transactions. Advisor receives some benefits from *Ameritrade* through its participation in the Program. Frontier participates in *Ameritrade's* Institutional Customer Program and Frontier may recommend *Ameritrade* to clients for custody and brokerage services.

There is no direct link between Frontier's participation in the Program and the investment advice it gives to its clients, although Frontier receives economic benefits through its participation in the Program that are not typically available to *Ameritrade* retail investors. These benefits include the following products and services (provided without cost or at a discount): 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 Frontier by third party vendors. *Ameritrade* may also have paid for business consulting and professional services received by Frontier.

Some of the products and services made available by *Ameritrade* through the Program may benefit Frontier but may not benefit its client accounts. These products or services may assist Frontier in managing and administering client accounts, including accounts not maintained at *Ameritrade*. Other services made available by *Ameritrade* are intended to help Frontier manage and further develop its business enterprise. *Ameritrade* may also pay or reimburse expenses (including travel, lodging, meals, and entertainment expenses) for Frontier's representatives to attend conferences or meetings relating to the Program or to *Ameritrade's* advisor custody and brokerage services generally. The benefits received by Frontier or its representatives through participation in the Program do not depend on the amount of brokerage transactions directed to *Ameritrade*.

Clients should be aware, however, that the receipt of economic benefits by Frontier or its representatives in and of itself creates a potential conflict of interest and may indirectly influence Frontier's recommendation of *Ameritrade* for custody and brokerage services. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest such arrangement may create.

SCHWAB ADVISOR NETWORK

Frontier receives client referrals from *Schwab* through Frontier's participation in Schwab Advisor Network™ ("the Service"), designed to help investors find an independent investment advisor. *Schwab* is a broker-dealer independent of and unaffiliated with Frontier. *Schwab* does not supervise Frontier and has no responsibility for Frontier's management of clients' portfolios or Frontier's other advice or services. Frontier pays *Schwab* fees to receive client referrals through the Service. Frontier's participation in the Service may raise potential conflicts of interest described below.

Frontier pays *Schwab* a Participation Fee on all referred clients' accounts that are maintained in custody at *Schwab* and a Non-*Schwab* Custody Fee on all accounts that are maintained at, or transferred to, another custodian. The Participation Fee paid by Frontier is a percentage of the fees owed by the client to Frontier or a percentage of the value of the assets in the client's account, subject to a minimum Participation Fee. Frontier pays *Schwab* the Participation Fee for so long as the referred client's account remains in custody at *Schwab*. The Participation Fee is billed to Frontier quarterly and may be increased, decreased, or waived by *Schwab* from time to time. The Participation Fee is paid by Frontier and not by the client. Frontier has agreed not to charge clients referred through the Service fees or costs greater than the fees or costs Frontier charges clients with similar portfolios (pursuant to Frontier's standard fee schedule as in effect from time to time) who were not referred through the Service.

Frontier generally pays *Schwab* a Non-*Schwab* Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from *Schwab*, unless the client was solely responsible for the decision not to maintain custody at *Schwab*. The Non-*Schwab* Custody Fee is a one-time payment equal to a percentage of the assets placed in custody other than at *Schwab*. The Non-*Schwab* Custody Fee is higher than the Participation Fees Frontier generally would pay in a single year. Thus, Frontier will have an incentive to recommend that client accounts be held in custody at *Schwab*.

The Participation and Non-*Schwab* Custody Fees will be based on assets in accounts of Frontier's clients who were referred by *Schwab* and those referred clients' family members living in the same household. Thus, Frontier will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts and execute transactions at *Schwab* and to instruct *Schwab* to debit Frontier's fees directly from the accounts.

For accounts of Frontier's clients maintained in custody at *Schwab*, *Schwab* will not charge the client separately for custody but will receive compensation from Frontier's clients in the form of commissions or other transaction-related compensation on securities trades executed through *Schwab*. *Schwab* also will receive a fee (generally lower than the applicable commission on trades it executes) for clearance and settlement of trades to be executed through *Schwab* rather than another broker-dealer. Frontier nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at *Schwab* may be executed through a different broker-dealer than trades for Frontier's other clients. Thus, trades for accounts custodied at *Schwab* may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.

TD ADVISORDIRECT

Frontier may receive client referrals from TD Ameritrade through its participation in TD Ameritrade's AdvisorDirect. In addition to meeting the minimum eligibility criteria for participation in AdvisorDirect, Frontier may have been selected to participate in AdvisorDirect based on the amount and profitability to

TD Ameritrade of the assets in, and trades placed for, client accounts maintained with TD Ameritrade. TD Ameritrade is a discount broker-dealer independent of and unaffiliated with Frontier and there is no employee or agency relationship between them. TD Ameritrade has established AdvisorDirect as a means of referring its brokerage customers and other investors seeking fee-based personal investment management services or financial planning services to independent investment advisors. TD Ameritrade does not supervise Frontier and has no responsibility for Frontier's management of client portfolios or Frontier's other advice or services. Frontier pays TD Ameritrade an on-going fee for each successful client referral. This fee is usually a percentage (not to exceed 25%) of the advisory fee that the client pays to Frontier ("Solicitation Fee"). Frontier will also pay TD Ameritrade the Solicitation Fee on any advisory fees received by Frontier from any of a referred client's family members, including a spouse, child or any other immediate family member who resides with the referred client and hired Frontier on the recommendation of such referred client. Frontier will not charge clients referred through AdvisorDirect any fees or costs higher than its standard fee schedule offered to its clients or otherwise pass Solicitation Fees paid to TD Ameritrade to its clients. For information regarding additional or other fees paid directly or indirectly to TD Ameritrade, please refer to the TD Ameritrade's AdvisorDirect Disclosure and Acknowledgement Form.

Frontier's participation in AdvisorDirect raises potential conflicts of interest. TD Ameritrade will most likely refer clients through AdvisorDirect to investment advisors that encourage their clients to custody their assets at TD Ameritrade and whose client accounts are profitable to TD Ameritrade. Consequently, to obtain client referrals from TD Ameritrade, Frontier may have an incentive to recommend to clients that the assets under management by Frontier be held in custody with TD Ameritrade and to place transactions for client accounts with TD Ameritrade. In addition, Frontier has agreed not to solicit clients referred to it through AdvisorDirect to transfer their accounts from TD Ameritrade or to establish brokerage or custody accounts at other custodians, except when its fiduciary duties require doing so. Frontier's participation in AdvisorDirect does not diminish its duty to seek best execution of trades for client accounts. Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding conflict of interest such arrangement may create.

BROKERAGE ARRANGEMENTS

Frontier does not generally accept directed brokerage arrangements (when a client requires that account transactions be effected through a specific broker-dealer). In such client directed arrangements, the client will negotiate terms and arrangements for their accounts with that broker-dealer, and Frontier will not seek better execution services or prices from other broker-dealers or can "batch" the client's transactions for execution through other broker-dealers with orders for other accounts managed by Frontier. Thus, clients may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case.

If the client directs Frontier to effect securities transactions for the client's accounts through a specific broker-dealer, the client correspondingly acknowledges that such direction may cause the accounts to incur higher commissions or transaction costs than the accounts would otherwise incur had the client determined to effect account transactions through alternative clearing arrangements that may be available through Frontier.

Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above arrangement.

ACCOUNT TRANSACTIONS

To the extent that Frontier provides investment management services to its clients, the transactions for each client account generally will be effected independently, unless Frontier decides to purchase or sell the same securities for several clients at approximately the same time. Frontier may (but is not obligated to) aggregate such orders to obtain best execution, to negotiate more favorable commission rates or to allocate equitably among Frontier's clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will be averaged as to price and will be allocated among clients in proportion to the purchase and sale orders placed for each client account on any given day. Frontier shall not receive any additional compensation or remuneration because of such aggregation.

ITEM 13 REVIEW OF ACCOUNTS

For those clients to whom Frontier provides investment supervisory services, account reviews are conducted on an ongoing basis by Frontier's Principals and/or representatives. All investment supervisory clients are advised that it remains their responsibility to advise Frontier of any changes in their investment objectives and/or financial situation. All clients (in person or via telephone) are encouraged to review financial planning issues (to the extent applicable), investment objectives and account performance with Frontier on an annual basis.

Frontier may conduct account reviews on other than periodic basis upon the occurrence of a triggering event, such as a change in client investment objectives and/or financial situation, market corrections and client request.

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

As part of our fiduciary duty to client, we endeavor always to put the interest of our clients first. In selecting new holdings for our portfolios and evaluating those currently used, Frontier utilizes as Investment Committee to review both quantitative and qualitative factors including internal costs, expense ratios, diversification, and tracking error, among other considerations.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

CLIENT REFERRALS

As previously disclosed in Item 12 above, Frontier participates in Schwab Advisor Network™ and TD AdvisorDirect referral program and compensate Charles Schwab and TD Ameritrade for client referrals they provide to our firm. Please see Item 12 for additional information.

If a client is introduced to Frontier by either an unaffiliated or an affiliated solicitor, Frontier *may* pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Investment Advisors Act of 1940, and any corresponding state securities law requirements. Any such referral fee shall be paid solely from Frontier's investment management fee, and shall not result in any additional charge to the client. If the client is introduced to Frontier by an unaffiliated solicitor, the solicitor, at the time of the solicitation, shall disclose the nature of his/her/its solicitor relationship, and shall provide each prospective client with a copy of Frontier's written Brochure with a copy of the written disclosure statement from the solicitor to

the client disclosing the terms of the solicitation arrangement between Frontier and the solicitor, including the compensation to be received by the solicitor from Frontier.

OTHER COMPENSATION

As referenced in Item 12 above, Frontier has entered a soft dollar arrangement with Schwab. As also disclosed at Item 12, Frontier may also receive non-soft dollar economic benefits from *Schwab* and/or *TD Ameritrade*. Frontier, without cost (and/or at a discount), may receive support services and/or products from *Schwab* and/or *TD Ameritrade* (which may include direct monetary assistance from *Schwab* and/or *TD Ameritrade* to obtain certain services or products).

Frontier's clients do not pay more for investment transactions effected and/or assets maintained at *Schwab* and/or *TD Ameritrade* because of this arrangement. There is no corresponding commitment made by Frontier to *Schwab* and/or *TD Ameritrade* or any other entity to invest any specific amount or percentage of client assets in any specific mutual funds, securities, or other investment products because of the above arrangement. Frontier's Chief Compliance Officer Jessica Cafferata remains available to address any questions that a client or prospective client may have regarding the above arrangement and any corresponding perceived conflict of interest any such arrangement may create.

As disclosed in Item 4 and 10 above, Frontier's employees that are insurance agents receive commissions for the recommendation/sale of insurance products. The receipt of this compensation may present a conflict of interest. While Frontier endeavors always to put client interest first as part of Frontier's fiduciary duty, clients should be aware that the receipt of commission and additional compensation creates a conflict of interest and could affect the judgment of insurance agents when making insurance product recommendations.

ITEM 15 CUSTODY

Custody is defined as having access or control over client funds and/or 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 in place. Authorization to trade in client accounts is not deemed by regulators to be custody. However, the ability to deduct advisory fees from client accounts causes the firm to exercise limited custody over client funds or securities. Frontier shall have the ability to have its advisory fee for each client debited by the custodian on a quarterly basis. Clients are provided, at least quarterly, with written transaction confirmation notices and regular written summary account statements directly from the broker-dealer/custodian and/or program sponsor for the client accounts. Frontier may also provide a written periodic report summarizing account activity and performance.

To the extent that Frontier provides clients with periodic account statements or reports, the client is urged to compare any statement or report provided by Frontier with the account statements received from the account custodian. The account custodian does not verify the accuracy of Frontier's advisory fee calculation.

ITEM 16 INVESTMENT DISCRETION

DISCRETIONARY BASIS

The client can engage Frontier to provide investment advisory services on a discretionary basis. When discretionary authority is granted, Frontier has the authority to determine the type of securities and the amount of securities to buy and sell for the client portfolio without obtaining the client's consent for each

transaction. Prior to Frontier assuming discretionary authority over a client's account, the client shall be required to execute an *Investment Management Agreement*, naming Frontier as the client's attorney and agent in fact, granting Frontier full authority to buy, sell, or otherwise effect investment transactions involving the assets in the client's name found in the discretionary account.

Frontier may elect to purchase bonds through bond brokers to obtain a better price for our clients and then have the bonds delivered into the client's brokerage account. This is called "trading away" through other brokers.

Clients who engage Frontier on a discretionary basis may, at any time, impose restrictions, in writing, on Frontier's discretionary authority (i.e. limit the types/amounts of particular securities purchased for their account, exclude the ability to purchase securities with an inverse relationship to the market, limit or proscribe Frontier's use of margin, etc.).

NONDISCRETIONARY BASIS

In very limited circumstances, a client may be allowed to grant trading authorization on a non-discretionary basis. In these cases, Frontier will be required to contact the client prior to implementing changes to the client's account. Therefore, the client will be contacted and required to accept or reject our investment recommendations including the security being recommended, the number of shares or units and whether to buy or sell. Once an agreement is made, Frontier will be responsible for making decisions regarding the timing of buying or selling an investment and the price at which the investment is bought or sold. If the client is not able to be reached or is slow to respond, it can have an adverse impact on the timing of trade implementations and Frontier may not achieve the optimal trading price.

EXCLUDED ASSETS - NO MONITORING

Upon engaging Frontier, clients may transfer into their Frontier account investment holdings that they do not want to sell. Or, after a Frontier account is established, clients may purchase on their own, independent of our advice, and without our recommendation, certain investment holdings. For these types of situations, Frontier does not provide ongoing monitoring and review of those assets unless stipulated otherwise by written agreement. Upon client request, we will consult with the client regarding the disposition of such securities on an annual basis (unless the client advises us, in writing, that they desire more frequent consultation). However, the client will remain responsible for all decisions and consequences regarding these assets, including decisions pertaining to the retention or sale, or a portion thereof, regardless of whether any such security is reflected on any supplemental account reports prepared by Frontier. Frontier will have proxy voting responsibility with respect to these assets.

Frontier will not take any action with respect to these assets unless and until specifically requested by the client in writing (email will suffice). Frontier is not in the business of accepting client orders for the purchase or sale of securities. Accordingly, upon receipt of any such request, Frontier will endeavor, but cannot guarantee, that any transaction will be effected on the day received or at any specific time or price. These terms and conditions will apply to all current and future transferred/purchased assets that may be part of the Frontier account. Correspondingly, the market value of any such security/securities will be included in *assets under management* for purpose of determining Frontier's investment management fee. Clients, on behalf of themselves/himself/herself, and each of our clients' respective representatives, heirs, successors, and assigns, agree to release and hold harmless Frontier, and all persons associated with Frontier, from any and all losses and/or other liabilities resulting from such securities.

ITEM 17 VOTING CLIENT SECURITIES

Frontier votes client proxies. Frontier utilizes the services of Institutional Shareholder Services, an independent third-party service, which provides Frontier with due diligence and administrative services with respect to voting client proxies. Unless the client directs otherwise in writing, Frontier is responsible for voting client proxies. However, the client shall maintain exclusive responsibility for all legal proceedings or other type events pertaining to the account assets, including, but not limited to, class action lawsuits. Frontier shall vote proxies in accordance with its Proxy Voting Policy, a copy of which is available upon request. Frontier shall monitor corporate actions of individual issuers and investment companies consistent with Frontier's fiduciary duty to vote proxies in the best interests of its clients. Although the factors which Frontier will consider when determining how it will vote differ on a case by case basis, they may, but are not limited to, include the following: a review of recommendations from issuer management, shareholder proposals, cost effects of such proposals, effect on employees and executive and director compensation. With respect to individual issuers, Frontier may be solicited to vote on matters including corporate governance, adoption, or amendments to compensation plans (including stock options), and matters involving social issues and corporate responsibility. With respect to investment companies (e.g., mutual funds), Frontier may be solicited to vote on matters including the approval of advisory contracts, distribution plans, and mergers. Frontier shall maintain records pertaining to proxy voting as required pursuant to Rule 204-2 (c)(2) under the Advisors Act. Copies of Rules 206(4)-6 and 204-2(c)(2) are available upon written request. In addition, information pertaining to how Frontier voted on any specific proxy issue is also available upon written request. Requests should be made by contacting Frontier's Chief Compliance Officer, Jessica Cafferata.

ITEM 18 FINANCIAL INFORMATION

Frontier is not required to provide financial information to clients as Frontier:

- does not solicit fees of more than \$1,200, per client, six months or more in advance, or
- does not have a financial condition that is reasonably likely to impair its ability to meet its contractual commitments relating to its discretionary authority over certain client accounts, or
- has not been the subject of a bankruptcy petition.

CUSTOMER PRIVACY POLICY NOTICE

Frontier maintains physical, electronic, and procedural safeguards that comply with federal standards to protect its clients' nonpublic personal information ("information"). Through this policy and its underlying procedures, Frontier attempts to secure the confidentiality of customer records and information and protect against anticipated threats or hazards to the security or integrity of customer records and information.

It is the policy of Frontier to restrict access to all current and former clients' information (i.e., information and records pertaining to personal background, investment objectives, financial situation, tax information/returns, investment holdings, account numbers, account balances, etc.) to those employees and affiliated/nonaffiliated entities who need to know that information to provide products or services in furtherance of the client's engagement of Frontier. In that regard, Frontier may disclose the client's information: (1) to individuals and/or entities not affiliated with Frontier, including, but not limited to the client's other professional advisors and/or certain service providers that may be recommended or engaged by Frontier in furtherance of the client's engagement of Frontier (i.e., attorney, accountant, insurance agent, broker-dealer, investment advisor, account custodian, record keeper, etc.); (2) required to do so by

judicial or regulatory process; or (3) otherwise permitted to do so in accordance with the parameters of applicable federal and/or state privacy regulations. The disclosure of information contained in any document completed by the client for processing and/or transmittal by Frontier to facilitate the commencement/continuation/termination of a business relationship between the client and/or between Frontier and a nonaffiliated third party service provider (i.e., broker-dealer, investment advisor, account custodian, record keeper, insurance company, etc.), including, but not limited to, information contained in any document completed and/or executed by the client in furtherance of the client's engagement of Frontier (i.e., advisory agreement, client information form, etc.), shall be deemed as having been automatically authorized by the client with respect to the corresponding nonaffiliated third party service provider.

Frontier permits only authorized employees and affiliates who have signed a copy of Frontier's Privacy Policy to have access to client information. Employees violating Frontier's Privacy Policy will be subject to Frontier's disciplinary process. Additionally, whenever Frontier hires other organizations to provide services to Frontier's clients, Frontier will require them to sign confidentiality agreements and/or the Privacy Policy.

ANY QUESTIONS: Frontier's Chief Compliance Officer, Jessica Cafferata, remains available to address any questions that a client or prospective client may have regarding the above disclosures and arrangements.