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## ADV Part 2A Appendix 1: Wrap Fee Program Brochure

December 6, 2018

This wrap fee program brochure provides information about the qualifications and business practices of Elios Financial Group, Inc. If you have any questions about the contents of this brochure, please contact us at (440) 617-9100. 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 Elios Financial Group, Inc. is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. The CRD number for Elios Financial Group, Inc. is 119873.

## Item 2 - Material Changes

The following material changes have been made since our last annual update amendment to our Form ADV Part 2A, which as on March 5, 2018:

- In August 2018, our firm registered with the Securities and Exchange Commissions (SEC) and we are no longer registered with the Ohio Department of Commerce.
- We updated our fee schedule. Please see Item 4 – in our Form ADV Part 2A Services, Fees and Compensation for additional details.
- We added a new custodian—TD Ameritrade, Inc. Please see Items 12 and 14 of Form ADV Part 2A for additional details about the new relationship.
- We created this Appendix 1 to the Form ADV Part 2A (Wrap Fee Brochure) as required by the SEC.

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## Item 4 – Services, Fees and Compensation

### **INVESTMENT AND PORTFOLIO MANAGEMENT SERVICES**

We offer discretionary portfolio management services to clients that consist of giving continuous advice to the client about the investment of funds based on the client's individual needs and objectives. The asset allocation of the client's assets will be structured to follow the recommended asset allocation model within their financial plan. In the case where a financial plan has not been constructed, the recommended asset allocation will be determined from an in-depth profile and interview with the client regarding their goals, current financial condition, timeline, risk tolerance, along with other financial suitability information. Once we construct an investment portfolio for you, we will monitor your portfolio's performance on an ongoing basis and will rebalance the portfolio as required by changes in market conditions and in your financial circumstances.

#### **DISCRETION**

If you engage our firm for discretionary portfolio management services, we require you to grant our firm discretionary authority to manage your account. Discretionary authorization will allow us to determine the specific securities, and the amount of securities, to be purchased or sold for your account without your approval prior to each transaction. This discretionary authority will also provide our firm with authorization to delegate discretionary investment management services to other unaffiliated Sub-Advisors selected by our firm based on your investment objectives and portfolio strategy. Discretionary authority is granted by the advisory agreement you sign with our firm and the appropriate trading authorization forms. In our sole discretion, we may accept instructions from you that limit our discretionary authority (for example, limiting the types of securities that can be purchased or sold for your account). Such requests must be presented to our firm in writing. To the extent we engage a Sub- Advisor to assist us with managing your account on a discretionary basis, we will regularly monitor the performance of your accounts.

#### **ONGOING MANAGEMENT**

We emphasize continuous and ongoing account supervision. As part of our investment management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), no-load and/or institutional mutual funds and other public and private securities as core investments. The client's individual investment strategy is tailored to their specific needs and may include some or all the previously mentioned securities. Each portfolio will be initially designed to meet the client's investment goal; together with the client we determine what is suitable with respect to many factors including risk assessment, time horizon, need for liquidity, etc. and his or her circumstances. Once the portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based on the client's individual needs, stated goals and objectives. Each client can place reasonable restrictions on the types of investment to be held in the portfolio.

We emphasize continuous and regular account supervision. As part of our asset management service, we generally create a portfolio, consisting of individual stocks or bonds, exchange traded funds ("ETFs"), no-load and/or institutional mutual funds and other public and private securities as core investments. The client's individual investment strategy is tailored to their

specific needs and may include some or all the previously mentioned securities. Each portfolio will be initially designed to meet an investment goal; together with the client we determine what is suitable to the client's circumstances. Once the portfolio has been determined, we review the portfolio at least quarterly and if necessary, rebalance the portfolio based on the client's individual needs, stated goals and objectives. Each client can place reasonable restrictions on the types of investment to be held in the portfolio.

We may use Independent Money Managers, where we may design an investment portfolio and provide ongoing corresponding asset management services on a fee-only basis for a percentage of assets in conjunction with another investment advisory firm. Before selecting other advisers, we will perform due diligence and make sure that the other advisers are properly licensed or registered.

#### **FEES**

The investment management fee for wrap accounts is calculated and billed quarterly in advance using the following annualized rates:

<b>Custodian Reported Account Value</b>	<b>Annual Investment Management Fee</b>
First \$100,000	2.00%
Next \$150,000	1.50%
Next \$250,000	1.00%
Next \$1,500,000	0.75%
Next \$3,000,000	0.50%
Above \$5,000,000	Negotiable

Our investment management fee is billed quarterly, in advance, meaning we collect the investment management fee at the beginning of the quarter. The investment management fee will be based on the custodian reported account value as of the last business day of the previous quarter. Cash balances and investments in money market funds are counted toward the account value and are included in the investment management fee calculations. Certain clients may be billed based on previous retired investment management (legacy) fee schedules.

The investment management fee is tiered. A tiered investment management fee means the applicable rate will be applied to the custodian reported value in each appropriate range of account value. For example, an account with a quarter end value of \$200,000 will be charged 2.00% on the first \$100,000 and 1.50% on the remaining \$100,000.

In addition to our investment management fee the client pays an annual program fee of 0.25%. The program fee is waivable at our discretion.

In a wrap account, clients pay a single annual advisory fee for advisory services and execution of transactions. Clients do not pay brokerage commissions, markups or transaction charges for execution of transactions in addition to the advisory fee.

Although clients do not pay a transaction charge for transactions in an account, clients should be aware that we pay TD Ameritrade's transaction charges for those transactions. The transaction charges paid by us vary based on the type of transaction (e.g., mutual fund, equity or ETF) irrespective of mutual fund 12b-1 fees and/or recordkeeping fees to TD Ameritrade. Transaction charges paid by the us for equities and ETFs are \$4.50- \$9. For mutual funds, the transaction charges range from \$0 to \$26.50. Because we pay the transaction charges these accounts, there is a conflict of interest in cases where the mutual fund is offered at both \$0 and \$26.50. Clients should understand that the cost to us of transaction charges may be a factor that we consider when deciding which securities to select and how frequently to place transactions in an account.

### **Termination of Portfolio Management Services**

A client may terminate the Investment Management Agreement for any reason at any time and, within the first 5 business days after signing the contract, without any cost or penalty. Thereafter, the contract may be terminated at any time by giving 10 days' written notice. To cancel the Agreement, the client must notify the firm in writing at Elios Financial Group, Inc. 30700 Center Ridge Road, Westlake, OH 44145. Upon written notice of termination, the client will receive a prorated refund based on the amount of the time elapsed during the quarter. For example, if the client cancels 45-days into a 90-day quarter, the client will receive a refund of 50% of the fees (45 divided by 90 equals 50 percent). Please note the prorated refund may be adjusted for additional deposits and withdraws to the advisory account within the termination quarter. If permitted by the client's custodian, the refund will be deposited into the client's account; otherwise, the refund will be paid to the client by company check directly to the client within 30-days of the termination notice receipt.

### **Other Types of Fees and Charges**

Program accounts will incur additional fees and charges from parties other than us as noted below. These fees and charges are in addition to the advisory fee paid to us. We do not share in any portion of these third-party fees.

TD Ameritrade, as the custodian and broker-dealer providing brokerage and execution services on program accounts, will impose certain fees and charges. TD Ameritrade notifies clients of these charges at account opening and we can provide a copy at the client's request. TD Ameritrade will deduct these fees and charges directly from the client's program account.

There are other fees and charges that are imposed by other third-parties that apply to investments in program accounts. Some of these fees and charges are described below:

- ) If a client's assets are invested in mutual funds or other pooled investment products, clients should be aware that there will be two layers of advisory fees and expenses for those assets. Client will pay an advisory fee to the fund manager and other expenses as a shareholder of the fund. Client will also pay us the advisory fee with respect to those assets. Most of the mutual funds available in the program may be purchased directly. Therefore, clients could generally avoid the second layer of fees by not using our management services and by making their own investment decisions.

- ) Certain mutual funds impose fees and charges such as contingent deferred sales charges, early redemption fees and charges for frequent trading. These charges may apply if the client transfers into or purchases such a fund with the applicable charges in a program account.
- ) Although only no-load and load-waived mutual funds can be purchased in a program account, clients should understand that some mutual funds pay asset-based sales charges or service fees (e.g., 12b-1 fees) to the custodian with respect to account holdings.
- ) If client holds a variable annuity as part of an account, there are mortality, expense and administrative charges, fees for additional riders on the contract and charges for excessive transfers within a calendar year imposed by the variable annuity sponsor.

Further information regarding fees assessed by a mutual fund, or variable annuity is available in the appropriate prospectus, which is available upon request from us or from the product sponsor directly.

#### **Other Important Considerations**

- ) The advisory fee is an ongoing wrap fee for investment advisory services, the execution of transactions and other administrative and custodial services. The advisory fee may cost the client more than purchasing the program services separately, because the client could pay an advisory fee plus commissions for each transaction in the account. Factors that bear upon the cost of the account in relation to the cost of the same services purchased separately include the type and size of the account, historical or expected size or number of trades for the account, and number and range of supplementary advisory and client-related services provided to the client.
- ) The advisory fee also may cost the client more than if assets were held in a traditional brokerage account. In a brokerage account, a client is charged a commission for each transaction, and the representative has no duty to provide ongoing advice with respect to the account. If the client plans to follow a buy and hold strategy for the account or does not wish to purchase ongoing investment advice or management services, the client should consider opening a brokerage account rather than a program account.
- ) The investment products available to be purchased in the program can be purchased by clients outside of a program account, through broker-dealers or other investment firms not affiliated with us.

### **Item 5 – Account Requirements and Types of Clients**

We offer our services to individuals, pension and profit-sharing plans, trusts, estates, charitable organizations and corporations or other businesses. We do not require a minimum account size.

## Item 6 – Portfolio Manager Selection and Evaluation

In our wrap program, we do not select, review or recommend other investment advisors or portfolio managers. We, through our associated persons, are responsible for the investment advice and management offered to clients. For more information about the associated person managing the account, the client should refer to the Brochure Supplement (ADV Part 2B) for the associated person, which the client should have received along with this Brochure at the time client opened the account.

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

We use various methods of analysis to help us manage client investment account(s). These may include one or more of the following:

Asset Allocation - is an investment strategy that aims to balance risk and reward by apportioning a portfolio's assets according to an individual's goals, risk tolerance and investment horizon. The asset classes typically include equities, fixed-income, international, and cash and equivalents. The risk associated with asset allocation is that each class has different levels of risk and return, so each will behave differently over time. There is no guarantee that diversification among asset classes will grow a portfolio.

Fundamental analysis- is a technique that attempts to determine a security's value by focusing on underlying factors that affect a company's *actual* business and its future prospects. The analysis is performed on historical and present data. On a broader scope, one can perform fundamental analysis on industries or the economy as a whole. The term refers to the analysis of the economic well-being of a financial entity as opposed to only its price movements. The risk associated with fundamental analysis is that despite that appearance that a security is undervalued, it may not rise in value as predicted.

Modern Portfolio Theory- proposes that investing in a predetermined asset mix derived from the efficient frontier (dictated to achieve a specific client objective within a certain risk tolerance) and rebalancing with discipline, the portfolio is diversified across the various asset classes to mitigate unnecessary risk. This also provides for a portfolio that can operate without reliance on market timing and security selection; however, as with all equity investments positive returns are not guaranteed. In conjunction to investing in a diversified portfolio, each portfolio is constructed to meet specific parameters set forth in the individual client's investment policy statement and/or other documents. These parameters can include - but are not limited to - tax efficiency, concentrated stock positions and management history. Once again, the risk associated with a diversified portfolio is that each class has different levels of risk and return, so each will behave differently over time and despite being diversified there is no guarantee that an account will grow.

Technical Analysis- is a method of evaluating securities by analyzing statistics generated by market activity, such as past prices and volume. Technical analysts do not attempt to measure a security's intrinsic value, but instead use charts and other tools to identify patterns that can suggest future activity. The risk associated with technical analysis is that there is no broad consensus among technical traders on the best method of identifying future price movements.



We use various investment strategies when managing client investment accounts. These may include one or more of the following:

*Long-Term Purchases* – We purchase securities with the expectation that the value of those securities will grow over a relatively long period of time, generally greater than one year. The risk associated with using a long-term purchase strategy is that it generally assumes the financial markets will go up in the long-term, which may not be the case. There is also the risk that the segment of the market that the client is invested in or perhaps just that client's particular investment will go down over time even if the overall financial markets advance. Purchasing investments long-term may create an opportunity cost - "locking-up" assets that may be better utilized in the short-term in other investments.

*Short-Term Purchases* – We purchase certain securities with the expectation that they will be sold within a relatively short period of time, generally less than one year, to take advantage of the securities' short-term price fluctuations. The risk associated with using a short-term purchase strategy is that it generally assumes that we can predict how financial markets will perform in the short-term, which may be very difficult and will incur a disproportionately higher amount of transaction costs compared to long-term trading. There are many factors that can affect financial market performance in the short-term (such as short-term interest rate changes, cyclical earnings announcements, etc.) but may have a smaller impact over longer periods of times.

*Periodic Rebalancing* – Rebalancing is the process of realigning the weighting of a portfolio of assets. Rebalancing involves periodically buying or selling assets in a portfolio to maintain an original desired level of asset allocation. Unless otherwise negotiated with the client, we rebalance client accounts on a quarterly basis. The risk associated with rebalancing is that an account may miss out on the full upside of asset allocation because of the realigning of the account's assets.

#### *INVESTMENT RISKS*

All investments bear different types and degrees of risk and **investing in securities involves risk of loss that clients should be prepared to bear**. While we use investment strategies that are designed to provide appropriate investment diversification, but some investments have significantly greater risks than others. Obtaining higher rates of return on investments entails accepting higher levels of risk. Recommended investment strategies seek to balance risks and rewards to achieve investment objectives. The client should feel free to ask questions about risks that he or she does not understand; we would be pleased to discuss them.

#### *RECOMMENDED SECURITIES AND RISKS*

We use several types of securities in client portfolios including, but not limited to, mutual funds, exchange traded funds (ETFs), stocks and bonds. Some of the risks associated with these securities include:

- ) **Closed-End Funds:** Clients should be aware that closed-end funds available within the program are not readily marketable. In an effort to provide investor liquidity, the funds may offer to repurchase a certain percentage of shares at net asset value on a periodic basis.

Thus, clients may be unable to liquidate all or a portion of their shares in these types of funds.

- ) **Credit Risk:** This is the risk that an issuer of a bond could suffer an adverse change in financial condition that results in a payment default, security downgrade, or inability to meet a financial obligation.
- ) **Exchange-Traded Funds (ETFs):** ETFs are typically investment companies that are legally classified as open-end mutual funds or UITs, however, they differ from traditional mutual funds because ETF shares are listed on a securities exchange. Shares can be bought and sold throughout the trading day like shares of other publicly-traded companies. ETF shares may trade at a discount or premium to their net asset value. This difference between the bid price and the ask price is often referred to as the “spread.” The spread varies over time based on the ETF’s trading volume and market liquidity and is generally lower if the ETF has a lot of trading volume and market liquidity and higher if the ETF has little trading volume and market liquidity. Although many ETFs are registered as investment companies under the Investment Company Act of 1940 like traditional mutual funds, some ETFs, including those that invest in commodities, are not registered as investment companies.
- ) **Inflation Risk:** This is the risk that inflation will undermine the performance of an investment and/or the future purchasing power of a client's assets.
- ) **Interest Rate Risk:** The chance that bond prices overall will decline because of rising interest rates. Interest rate risk will vary for the Firm, depending on the amount of client assets invested in bonds.
- ) **International Investing Risk:** Investing in the securities of non-U.S. companies involves special risks not typically associated with investing in U.S. companies. Foreign securities tend to be more volatile and less liquid than investments in U.S. securities, and may lose value because of adverse political, social or economic developments overseas or due to changes in the exchange rates between foreign currencies and the U.S. dollar. In addition, foreign investments are subject to settlement practices, as well as regulatory and financial reporting standards, that differ from those of the U.S.
- ) **Manager Risk:** The chance that the proportions allocated to the various securities will cause the client’s account to underperform relevant to benchmarks or other accounts with a similar investment objective.
- ) **Portfolio Concentration:** Accounts that are not diversified among a wide range of types of securities, countries or industry sectors may have more volatility and are considered to have more risk than accounts that are invested in a greater number of securities because changes in the value of a single security may have more of a significant effect, either negative or positive. Accordingly, portfolios are subject to more rapid changes in value than would be the case if the client maintained a more diversified portfolio.
- ) **Stock market risk:** The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices.

## **VOTING CLIENT SECURITIES**

We do not accept authority to vote proxy solicitations for client securities. Clients retain the right to vote all proxies that are solicited for securities held in the account. Clients will receive proxies or other solicitations from the custodian. If clients have questions regarding the solicitation, they should contact us or the contact person that the issuer identifies in the proxy materials. In addition, we do not accept authority to act with respect to legal proceedings relating to securities held in the account.

## **Item 7 – Client Information Provided to Portfolio Managers**

In our wrap program, we are responsible for account management; there is no separate portfolio manager involved. We obtain the necessary financial data from the client and assist the client in setting an appropriate investment objective for the account. We obtain this information by having the client complete an advisory agreement and other documentation. Clients are encouraged to contact us if there have been any changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions on the management of the account or reasonably modify existing restrictions. Clients should be aware that the investment objective selected for the program is an overall objective for the entire account and may be inconsistent with a particular holding and the account's performance at any time. Clients should further be aware that achievement of the stated investment objective is a long-term goal for the account.

## **Item 8 – Client Contract with Portfolio Managers**

Clients should contact us at any time with questions regarding program accounts.

## **Item 9 – Additional Information**

### **DISCIPLINARY INFORMATION**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events within the past 10-years that would be material to a client's evaluation of us or the integrity of our management. We have no information applicable to this Item because we have not been the subject of any administrative, civil, criminal or regulatory proceedings.

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

Our associates are registered representatives of Private Services, LLC, a full-service broker/dealer and member FINRA/SIPC ("PCS"). Through PCS they may sell securities to our clients for a commission. This causes a conflict of interest because the commission is separate from the fees outlined above. They attempt to mitigate this conflict of interest to the best of their ability by placing the client's interest ahead of their own through their fiduciary duty. Additionally, it is our policy that recommended securities purchases do not have to be purchased through our associates.

Our associates may be licensed insurance agents and appointed with various insurance companies. They may recommend insurance products to our clients. This service pays them

commissions that are separate from the investment adviser fees outlined in Item 4 above. This creates a financial incentive to recommend insurance products. However, they attempt to mitigate any conflicts of interest to the best of their ability by placing the client's interests ahead of their own and through the implementation of policies and procedures that address the conflict. Additionally, the clients are informed that they always have the right to choose whether to act on the recommendation and they have the right to purchase recommended insurance products through any licensed insurance agent.

#### **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

##### ***DESCRIPTION***

Our Code of Ethics establishes ideals for ethical conduct based upon fundamental principles of openness, integrity, honesty, and trust. We will provide a copy of our Code of Ethics to any client or prospective client upon request.

Our Code of Ethics covers all supervised persons and it describes our high standard of business conduct and fiduciary duty to our clients. The Code of Ethics includes, among other things, provisions relating to the confidentiality of client information, a prohibition on insider trading, a prohibition on rumor mongering, restrictions on the acceptance of significant gifts and the reporting of certain gifts and business entertainment items, and personal securities trading procedures. All supervised persons must acknowledge the terms of the Code of Ethics annually or as amended.

##### ***MATERIAL INTEREST IN SECURITIES***

We do not have a material interest in any securities.

##### ***INVESTING IN OR RECOMMENDING THE SAME SECURITIES***

Our associates may buy or sell for their own accounts the same securities at or about the same time that they recommend those securities to clients or purchase them for client accounts. A conflict of interest may exist because they can trade ahead of client accounts. We mitigate any conflicts of interest in two ways. First, our Code of Ethics requires employees to report personal securities transactions on at least a quarterly basis and provide us with a detailed summary of certain holdings (both initially upon commencement of employment and quarterly thereafter) in which employees have a direct or indirect beneficial interest. The reports are reviewed to ensure we do not trade ahead of client accounts. Second, we require client transactions be placed ahead of our associates' personal trades or our associates can place personal trades as part of a block trade (Please see Item 12.B for details on our block trading practices). The records of all associates' personal and client trading activities are reviewed and made available to regulators to review on the premises.

##### **REVIEW OF ACCOUNTS**

For our Portfolio and Third-Party Money Management clients, our owner, Mr. Elios and associates will review accounts on at least a quarterly basis. We will also attempt to meet with each client on an annual basis either in person or by telephone.

### ***Review Triggers***

Other factors triggering an account review include material market, economic or political events, and changes in a client's financial or personal situation or performance of the account in general.

### ***Reports and Account Statements***

A client will receive at least quarterly statements from the account custodian. However, the client will receive a monthly statement, if his or her account(s) has activity during the month. These account statements will show any activity in the account, as well as period ending position balances. Performance reports will be generated on demand and be made available via mail, in-person reviews and through secured email and/or online client portals.

### **CLIENT REFERRALS AND OTHER COMPENSATION**

We may offer our portfolios to other independent registered investment advisers pursuant to third-party management or solicitor agreements. When registered investment advisers use our portfolios, they receive a portion of our annual investment management fee, but not the program fee. The registered advisers will likely share a portion of the fees with their own representatives. It is important to note that the annual investment management fee is determined by our fee schedule. The registered advisers' portion is deducted from our investment management fee, not added to it.

We are aware of the special considerations promulgated pursuant to SEC Rule 206(4)-3 of the Investment Adviser Act of 1940 (the "Act"). As such, appropriate disclosures describing the terms and fee arrangements between the us and a solicitor will be made to our clients, all required written records will be maintained, and all applicable laws and regulations will be observed. A Solicitor's Disclosure Document will be provided to each client, as required under the Act, and we will retain the clients signed acknowledgement of receiving the Adviser's Form ADV Part 2A and the Solicitors Disclosure Document.

### ***Other Compensation***

We recommend TD Ameritrade to clients for custody and brokerage services. There is no direct link between our participation in the program and the investment adviser it gives to its, although we receive economic benefits through our participation in the program that are typically not available to TD Ameritrade retail investors. 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 our related persons. Some of the

products and services made available by TD Ameritrade through the program may benefit us but may not benefit our clients. These products or services may assist us in managing and administering client accounts, including accounts not maintained at TD Ameritrade. Other services made available by TD Ameritrade are intended to help us manage and further develop its business enterprise. The benefits received by us 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 duty to clients, we always endeavor to put the interests of our clients first. Client should be aware, however, that the receipt of economic benefits by us 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.

#### **FINANCIAL INFORMATION**

##### **BALANCE SHEET**

At no time will fees of more than \$1200 be charged six or more months in advance. As such, a balance sheet is not required to be provided at this time.

##### **FINANCIAL CONDITION**

We are required in this Item to provide clients with certain financial information or disclosures about our financial condition if we have a financial commitment that impairs our ability to service clients. We do not have a financial commitment that impairs our ability to service clients.

##### **BANKRUPTCY**

We have not been the subject of a bankruptcy proceeding.