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## ***Wrap Fee Program Brochure***

***April 1, 2011***

This wrap fee program brochure provides information about the qualifications and business practices of J.P. Turner & Company Capital Management, LLC. If you have any questions about the contents of this brochure, please contact us at 888.578.8763. 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.

J.P. Turner & Company Capital Management, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an adviser provide you with information about which you determine to hire or retain an adviser.

Additional information about J.P. Turner & Company Capital Management, LLC also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

## **Material Changes**

On August 12, 2010, the United State Securities and Exchange Commission (“SEC”) published “Amendments to Form ADV” which revises the format of Schedule H of Form ADV. This brochure dated April 1, 2011 is prepared according to the new Form ADV Part 2 Appendix 1 format. As a result, we are providing you with a brochure that not only looks different, but contains information in a clearer format than our earlier disclosure documents.

We have deleted the FTJ FundChoice, LLC (FTJFC) program from this brochure.

Information about the FTJFC can be found in our Disclosure Brochure dated April 1, 2011.

Updated the Firm’s Logo on the cover page.

In the past J.P. Turner Capital Management, LLC (“JPTCM, we, us, our, ours”) has offered or delivered information

about our qualifications and business practices to clients on an annual basis. Going forward, we will ensure that you receive a summary of any material changes to our brochures by April 29th of each year.

We may also provide updated disclosure information about material changes on a more frequent basis. Any summaries of changes will include the date of our last annual update of our brochure.

Currently, our brochure may be requested by contacting Rod Kresge, Director, at 888.578.8763 or [capitalmanagement@jpturner.com](mailto:capitalmanagement@jpturner.com). We will provide you with a new brochure at any time without charge.

Additional information about us is available via the SEC’s website: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). This website also provides information about any persons affiliated with JPTCM who are registered as investment adviser representatives (“your advisory

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representative”) of  
JPTCM. Information on  
our investment adviser  
representatives who work

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this column.

## **4 Services, Fees and Compensation**

### *JPTCM Managed Account Program Services*

We offer direct asset management services on both a non-discretionary and discretionary basis. We act as portfolio managers for these accounts. In a non-discretionary account, we recommend the purchase or sale of securities for your review and approval. We only purchase or sell securities that have been approved by you in advance. Alternatively, you may maintain an account on a discretionary basis if (1) the IAR of the account has been authorized by JPTCM to manage accounts on a discretionary basis and (2) you have granted discretionary authority to us in the client advisory agreement. The purchase and sale of securities in such accounts do not require your advance approval. We offer both a wrap and an unbundled pricing structure.

We work with you to identify your investment goals and objectives, as well as risk tolerance, in order to create an initial portfolio allocation designed to complement your financial situation and

personal circumstances. The portfolio may consist of exchange-traded index funds, mutual funds, equities, and bonds. The investment strategies utilized and portfolios constructed and managed depend on your investment objectives and goals and the management style of the IAR. We may purchase, sell, and/or exchange securities including, but not

limited to, mutual funds, equities, fixed income instruments, closed-end mutual funds, exchange traded funds, and variable life and annuity subaccounts. Model portfolios may be used as a part of this strategy. We may periodically rebalance your account to maintain the initially agreed upon strategic and tactical asset allocation. However, no changes are made to the agreed-upon asset allocation in nondiscretionary accounts without your prior review and consent.

### *Envestnet Asset Management*

#### SMA Accounts

The Managed Account Solution provides you with direct access to third-party investment managers. With a separately managed account, you directly own the securities in the portfolio. The Managed Account Solution is suitable for clients seeking a long-term, customized, goals-driven approach to investment planning. We can make minor adjustments to the portfolio to fit your needs. For example, we can take into account existing securities to avoid overlap, or restrict the purchase of securities that you do not want to own. Direct ownership of the securities in the portfolio, allows you, the IAR, and your tax professional to actively manage for taxes (i.e. since each security transaction has a separate cost basis, capital gains and losses can be recognized as necessary to mitigate the impact of taxes).

#### Unified Managed Accounts (UMA)

With the Envestnet UMA, a customized portfolio model is constructed with over

1,200 investment choices available to fund each asset class. The UMA portfolio management combines separate accounts, mutual funds, and ETFs into a one single convenient account. Individual portfolio models using asset allocations are created using any combination of the 27 asset classes supported on the Envestnet platform. Portfolio options are tailored to your risk profiles, needs and objectives.

#### Mutual Fund / ETF Strategist

Mutual Fund and Exchange Traded Fund (ETF) Solutions offers you an actively managed portfolio comprised of mutual funds and/or ETFs. Some portfolios invest in specific fund family, others contain nationally recognized funds. Many of the funds on this platform are institutional class and are not directly available to retail investors.

The PMC ETF Wrap Solution offers seven portfolios along the risk/return spectrum determined by striking the appropriate balance between risk and potential returns. Each portfolio is constructed using ETFs, resulting in a simple, low-cost portfolio that closely tracks the underlying benchmarks. The PMC investment team oversees the portfolios by selecting investments, monitoring performance, and rebalancing to maintain the desired allocation.

Clients that participate in the Program are required to grant full discretionary investment authority to us. We use our discretion to replace investment vehicles,

including sub-managers, when such a change is deemed necessary; to rebalance your account as agreed between us; and to liquidate sufficient assets to pay the Program Fee when necessary and any other actions that we deem appropriate.

We recommend an asset allocation and construct a portfolio based upon your needs and objectives. In some cases, managers supply us with a model portfolio, and we invest your assets accordingly.

We review the investment strategies and performance of a wide range of managers. From time to time, managers of non-traditional or alternative investment strategies are recommended to you that meet the appropriate suitability criteria.

#### *The Folio Program*

##### Wrap Accounts

Direct asset management on both a non-discretionary and discretionary basis. We act as portfolio managers for the account(s). Portfolios may consist of a combination of mutual funds, Exchange Traded Funds (ETF), fixed income securities, or individual stocks. Asset classes are preselected from a list of choices made available from Foliofn.

In a non-discretionary account, we recommend the purchase or sale of securities for your review and approval. We only purchase or sell securities which have been approved by you in advance. Alternatively, you may maintain an

account on a discretionary basis if (1) the IAR of the account has been authorized by JPTCM to manage accounts on a discretionary basis and (2) you have granted discretionary authority to us in the client advisory agreement. The purchase and sale of securities in such accounts do not require your advance approval. Model portfolios designed by FolioFn are also available.

We work with you to identify your investment goals and objectives, as well as risk tolerance, in order to create or select an initial portfolio allocation designed to complement your financial situation and personal circumstances. The investment strategies utilized and portfolios constructed and managed depend on your investment objectives and goals and the management style of the IAR. We may purchase, sell, and/or exchange securities including, but not limited to, mutual funds, equities, funds, exchange traded funds. Model portfolios and may be used as a part of this strategy. We may periodically rebalance your account to maintain the initially agreed upon allocation.

### Separately Managed Accounts

The Folio Separately Managed Account provides you with access to separate account managers. With a separately managed account, you own the securities within the portfolio and the accounts are managed on a discretionary basis by the selected manager. This allows for flexibility and more control as well as tax advantages over other investment

vehicles. For example, existing securities can be considered to avoid overlap, or the purchase of securities that you do not want to own can be restricted. Direct ownership of the securities in the portfolio, allows you, the IAR, and your tax professional to actively manage for taxes (i.e. since each security transaction has a separate cost basis, capital gains and losses can be recognized as necessary to mitigate the impact of taxes). Each separate account has a minimum investment that varies. Please see each manager's agreement and their Brochure for specific details such as minimum account size and fees.

All FOLIOfn account statements are delivered electronically. You may choose to receive a paper copy of these reports by mail at the cost of \$150 per year.

### *Strategic Allocation Program*

The Strategic Allocation Program (Program) utilizes 3 asset allocation models to achieve the objectives set forth in the program. The portfolios will utilize mutual funds and exchange trade funds (ETF) as the components of its active management of passive investments in its portfolio models.

### Balanced Model Portfolio

(60% equity/40% fixed income)

The Strategic Allocation Program Balanced Model Portfolio is intended to consist of 60% equity investments and 40% fixed income investments. This

Model Portfolio is intended for those clients concerned with capital preservation and a more conservative risk profile given the lower exposure to equities in relation to the other Model Portfolios. The Strategic Allocation Program Balanced Model Portfolio is the least aggressive Model Portfolio in the Strategic Allocation Program.

### Growth Model Portfolio

(70% equity/ 30% fixed income)

The Strategic Allocation Program Growth Model Portfolio is intended to consist of 70% equity investments and 30% fixed income investments. The Strategic Allocation Program Growth Model has a greater allocation to equities as compared to fixed income securities. This model is intended for those clients who seek the greater growth potential offered by the increased equity exposure but desire the reduced volatility historically delivered by fixed income investments. Given this increased exposure to equities, the Strategic Allocation Program Growth Model will have a more aggressive posture as compared to the Strategic Allocation Program Balanced Model Portfolio.

### Aggressive Model Portfolio

(80% equity/ 20% fixed income)

The Strategic Allocation Program Aggressive Model Portfolio is intended to consist of 80% equity investments and 20% fixed income investments. This

Model Portfolio is intended for those clients who want the greatest growth potential of the three models offered. Although a higher allocation to equities suggests increased volatility, historically such a position has delivered greater long-term returns. The Strategic Allocation Program Aggressive Model Portfolio is the most aggressive Model Portfolio in the Strategic Allocation Program.

There is no guarantee, either express or implied, that the goals of the Model Portfolios will be met. Furthermore, over the long term, since the Strategic Allocation Program Fees and Financial Advisor Fees are incurred in addition to any fees and expenses associated with the mutual funds and ETFs used in the Strategic Allocation Program, investing through the Strategic Allocation Program may be more expensive to clients than purchasing mutual funds or other investments held over the same period.

### Phoenix Guaranteed Income Edge

The Phoenix Guaranteed Income Edge® (the “Income Edge”) is an insurance certificate available with three Strategic Allocation Program asset allocation models for a separate fee. The income edge is issued as a group annuity contract by PHL Variable Insurance Company for clients who elect to use this contract are required to be enrolled in the Strategic Allocation Program. The certificate has its own restrictions, charges and risks. The Phoenix Guaranteed Income Edge®

has a separate fee in addition to the fees associated with the underlying investment account. Guarantees are based upon the claims paying ability of PHL Variable.

The Income Edge is an insurance certificate (“insurance certificate” is another term for “insurance policy”). The Income Edge is designed to provide income protection to investment advisory clients of JPTCM whose assets are managed in eligible portfolios under the Strategic Allocation Program and who intend to use those assets as the basis for a withdrawal program to provide income payments for retirement or other long-term purposes. Should you choose to purchase the Income Edge, subject to the conditions of the certificate, the Income Edge can provide you with guaranteed lifetime income regardless of how long you live or how your Account assets perform by providing continuing income payments if your Account Value (defined below) is reduced to \$0 by withdrawals (if such withdrawals are limited in accordance with the terms of the Income Edge certificate) and/or poor investment performance while you are living. The Income Edge can also provide these payments for the lifetimes of you and your spouse if you choose to purchase the spousal guarantee.

The Model Portfolios currently eligible for coverage under the Income Edge are constructed to correspond to one of three asset allocation strategies, each of which has a percentage investment in

equities and a percentage investment in fixed income investments corresponding to a target level of return and an expected level of risk associated with those investment percentages.

Please consult the Phoenix Guaranteed Income Edge® prospectus for fees and conditions.

Client’s of the Program under no obligation to purchase the Income Edge in order to participate in the Program.

### **JPTCM Managed Account Program Fees**

Clients participating in JPTCM Managed Accounts may choose from a wrapped or non-wrapped pricing option. Wrap pricing structures allows you to pay an all-inclusive fee for management, brokerage, clearance, custody and administrative services. Ancillary charges such as account fees or transfer costs are not included in the wrap fee. As an alternative to the wrap pricing structure, the transaction charges can be unbundled from the advisory and administrative fees.

***Wrap Fee Option*** - Wrap fee structures allow you to pay an all-inclusive fee which includes:

- investment management fees shared by our firm, our advisory representatives, and, in some instances, the broker dealer of advisory representatives who are also registered as representatives of the



broker-dealer;

- execution and clearing costs;
- transaction costs – if applicable – which may be paid to purchase and sell securities in your account; and custody fees. The Wrap Fee Schedule is as follows:

Non-wrap fee schedule is as follows:

Assets under Management	Maximum Total Fee
First \$500,000	2.55%
Next \$500,000	2.30%
Over \$1,000,000	Negotiable

Assets under Management	Execution, Custodial Fee*	Maximum Total Fee
First \$500,000	0.30%	2.75%
Next \$500,000	0.25%	2.50%
Over \$1,000,000	0.20%	Negotiable

### Invest Asset Management Fees

Amount	Managed Account Solution
Up to \$500,000	0.60%-2.40%
\$500,000-\$1,000,000	0.40%-2.60%
\$1,000,000-\$2,000,000	0.33%-2.67%
\$2,000,000-\$5,000,000	0.29%-2.71%
Over \$5,000,000	0.26%-2.74%

*\*Minimum fee of \$200. Execution, custodial and clearing fee is included in Total Annual Advisory Fee. In certain circumstances the execution, custodial, and clearing fees may be negotiable.*

Amount	Unified Managed Account
Up to \$500,000	0.55%-2.45%
\$500,000-\$1,000,000	0.40%-2.60%
\$1,000,000-\$2,000,000	0.33%-2.67%
\$2,000,000-\$5,000,000	0.29%-2.71%
Over \$5,000,000	0.26%-2.74%

**Non-Wrap Fee Option** - Clients who select the Non-Wrap Fee option pay separate transaction charges in addition to the advisory fee. Most brokers and custodians charge transaction fees to effect trades for a client's account. These fees are levied by the broker or custodian to cover their costs. JPTCM does not share or participate in any transaction fees. Transaction fees vary by broker and/or custodian and may vary by IAR. The transaction charges for a Non-Wrap Fee option JPTCM Managed account is \$30.00 per trade.

Amount	Mutual Fund/EFT Strategist
Up to \$500,000	0.35%-2.65%
\$500,000-\$1,000,000	0.30%-2.70%
\$1,000,000-\$2,000,000	0.25%-2.75%
\$2,000,000-\$5,000,000	0.22%-2.78%
Over \$5,000,000	0.20%-2.80%

- Fees charged per account per client. Accounts within a household are not aggregated for billing purposes.
- Consult Envestnet Client Services

for asset manager availability at Pershing.

- Each managed account is subject to a minimum Brokerage, Clearing, and Custody fee of \$450 per year
- Each multi-manager account and unified managed account (UMA) is subject to a minimum Brokerage, Clearing, and Custody fee of \$300 per year.
- Each ETF wrap and Mutual Fund Choice account is subject to a minimum Brokerage, Clearing, and Custody fee of \$150 per year.
- Transaction Fee funds are charged an asset-based fee, billed separately by Pershing, according to this schedule.
- Mutual Fund portfolios are subject to an annual flat fee of \$150.
- Fees apply as of the date accounts are funded.
- Includes fees paid to Envestnet for administrative services.

The fee paid to the JPTCM or Independent IARs compensates them for the provision of their personal advisory services rendered in qualifying clients for investment in the program, as well as for ongoing supervision and/or portfolio monitoring of client assets. The amount of IAR fees charged to clients is determined by each JPTCM or Independent IAR up to an amount not to exceed the fee breakpoint set for each level of investment. Fees are negotiable and vary depending upon the complexity of the client situation and services

provided.

### Fees for the Folio Program

Amount	FOLIO ofn Custody Fee	Advisory Fee Ranges
Up to \$500,000	.20%	0.55%-2.45%
\$500,000-\$1,000,000	.20%	0.40%-2.60%
\$1,000,000-\$2,000,000	.20%	0.33%-2.67%
\$2,000,000-\$5,000,000	.20%	0.29%-2.71%
Over \$5,000,000	.20%	0.26%-2.74%

Consult Folio program materials for any additional costs or fees.

### Fees for The Strategic Allocation Program:

- The Platform Fee charged is: 30 basis points. The Maximum Advisor Fee is 150 bps.

Your account may be similar to other clients selecting the same equity model portfolio; however, you have the opportunity to place reasonable restrictions on the type of investments to be held in your portfolio. We will periodically review and update your financial circumstances and investment objectives. You should notify us promptly if there are any changes in your financial situation or investment objectives.

Fees are calculated based upon the market value of the assets in your

account. Broker-dealers and other financial institutions that hold client accounts are referred to as custodians (hereinafter referred to as “custodian/broker-dealer”). Your custodian/broker-dealer determines the values of the assets in your portfolio.

Broker-dealers and other financial institutions that hold client accounts are referred to as custodians.

You must authorize us in writing to have the custodian pay us directly by charging your account. The custodian provides you with statements that show the amount paid directly to us. You should verify the calculation of our fees. The custodian does not verify the accuracy of fee calculations.

All advisory fees are billed monthly, quarterly, semi-annual or annual, in advance or arrears as contractually agreed, and are based upon market value of the account on the last business day of the preceding or current calendar quarter, respectively. If you agree to pay our investment advisory fees in advance and you terminate the advisory agreement we have entered into within five (5) business days from the date the agreement is executed, you will receive a full refund of any fees paid. Should either one of us terminate the advisory agreement before the end of a billing period, any unearned fees that were deducted from your account will be returned to you by us.

For example, the amount refunded to you is calculated by dividing the most

recent advisory fee you paid by the total number of days in the quarter. This daily fee is then multiplied by the number of calendar days in the quarter that our agreement was in effect. This amount, which equals the amount we earned for the partial quarter, is subtracted from the total fee you paid in advance to determine your refund.

We may also refer you to various asset management firms. Referral fees or a portion of the advisory fee will be paid to us if you establish a relationship with the asset manager.

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

You should note that the same (or similar) services as those described above may be available from other sources at a lower cost to you. You should consider that depending upon the level of the wrap fee charges, the amount of portfolio activity in your account, the value of services that are provided, and other factors, a wrap fee may exceed the

aggregate cost of services if they were to be provided separately. A non-wrapped pricing arrangement may be more cost effective for accounts that do not experience frequent trading activity.

4B In addition to our fee, you may be required to pay other charges such as:

- custodial fees,
- brokerage commissions,
- transaction fees,
- SEC fees,
- internal fees and expenses charged by mutual funds or exchange traded funds (“ETFs”), and
- other fees and taxes on brokerage accounts and securities transactions.

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

4C The wrap fee does not include mark-ups, markdowns, or payment of brokerage commissions for transactions made by a broker-dealer other than the custodian.

While you may purchase shares of mutual funds directly from the mutual fund company without a transaction fee,

those investments would not be part of our advisory relationship with you. This means that they would not be included in our investment strategies, investment performance monitoring, or portfolio reallocations.

4D The IAR recommending a wrap fee program will be compensated by the participation of the client in the program.

Clients should note that the same or similar services to those described above may be available elsewhere at a lower cost to the client. Clients should consider that depending upon the level of the wrap fee charges, the amount of portfolio activity in their accounts, the value of services that are provided, and other factors, a wrap fee may exceed the aggregate cost of services if they were to be provided separately.

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

Envestnet Asset Management minimum account size is:

- \$100,000 for the SMA program,
- \$150,000 for the UMA program and
- \$25,000 for the Mutual Fund ETF Strategist program.
- Accounts are subject to minimum account fees of \$150 to \$450 depending upon the management option chosen by the client.

There are no minimum participation levels or minimum account fees for the JPTCM Managed Account Program, although there is a \$50,000 minimum for those accounts utilizing Genworth.

The Folio program's minimum account size for Wrap Accounts is \$20,000, Separately Managed accounts are subject to the manager's minimum. In certain cases, these minimums maybe waived based upon business considerations.

The Strategic Allocation Program account minimum account size is:

- The minimum opening account value is \$25,000.

We provide advisory services primarily to high net worth individuals, including their trusts, estates and retirement accounts. We also provide services to corporations or business entities including their pension and profit sharing plans. JPTCM may also advise certain funds exempt from registration under the Investment Company Act of 1940 and limited liability companies.

## **6 Portfolio Manager Selection and Evaluation**

The factors we consider when selecting TPAMs to recommend to clients include the TPAM's:

- management style,
- performance record,
- reputation,

- pricing, and
- reporting capabilities.

TPAMs are evaluated using data and information from several sources, including the manager and independent databases. We also review the manager's Form ADV Part 2, as well as portfolio holdings reports that help demonstrate the manager's securities selection process. However, neither we nor a third party verifies the accuracy of performance information or compliance with performance standards.

In recommending a TPAM to you, we consider your financial situation, risk tolerance, investment horizon, liquidity needs, tax considerations, investment objectives, and any other issues important to your state of affairs.

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

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

We work with you to identify your investment goals and objectives, as well as risk tolerance, in order to provide you with an initial portfolio allocation designed to complement your financial situation and personal circumstances. You may place reasonable restrictions on the strategies to be employed in your portfolio and the types of investments to be held in your portfolio. We obtain this

information from you initially, annually, and as you inform us of any changes.

### *Management of Wrap Accounts*

The JPTCM Managed Account, Envestnet Asset Management, Genworth Financial Wealth Management and Folio Programs may be offered on a wrap fee basis. The fee you pay in this program covers our advisory fee and all brokerage commissions and other trading costs of transactions placed through J.P. Turner. We do not manage wrap fee accounts differently than we manage non-wrapped accounts. We receive a portion of the wrap fee for our services.

## **8 Client Contact with Portfolio Managers**

You have ready access to your advisory representative who can schedule a meeting with your portfolio manager. Portfolio managers are not required to be available for unscheduled or unannounced visits or calls by clients. However, portfolio managers are expected to periodically meet with clients and should generally be available to take client telephone calls on advisory-related matters.

## **9 Additional Information**

### ***Disciplinary Information***

In October 2003, the National Association of Securities Dealers (“NASD”) accepted a Letter of

Acceptance, Waiver and Consent (“AWC”) submitted by Mr. Mello wherein the NASD found that J.P. Turner and Company, L.L.C., acting through Mr. Mello, failed to establish and maintain a supervisory system reasonably designed to achieve compliance with applicable securities laws and regulations, and NASD rules, relating to the sale of hot issues in violation of NASD Conduct Rules 3010(b) and 2110. As a result of this finding, Mr. Mello was censured and required to pay a \$7,500 fine.

### ***Other Financial Industry Activities and Affiliations***

Our advisory representatives are also registered representatives and investment adviser representatives of J.P. Turner & Company, LLC (“JPT”), a registered broker/dealer, member FINRA/SIPC, and registered investment adviser. If you choose to implement your financial plan through JPT, commissions may be earned by your financial advisor in addition to any fees paid for advisory services. In addition, the financial advisor may be entitled to a portion of the internal expense fees (such as 12b-1 fees) charged by mutual funds.

Our advisory representatives are also licensed with various insurance companies. Commissions may be earned by our financial advisors if insurance products are purchased through these insurance companies.

We may receive benefits such as assistance with conferences and

educational meetings from product sponsors.

Our advisory representatives may also recommend various asset management firms through their affiliation with JPT. If you establish an investment advisory relationship with one of these firms, our financial advisors may share in the advisory fees you pay to these asset management firms.

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

### ***Code of Ethics***

JPTCM has adopted a Code of Ethics (the “Code”) to address securities-related conduct. The Code focuses primarily on fiduciary duty, personal securities transactions, insider trading, gifts, and conflicts of interest. The Code includes JPTCM’s policies and procedures developed to protect client’s interests in relation to the following topics:

- The duty at all times to place the interests of clients first;
- The requirement that all personal securities transactions be conducted in such a manner as to be consistent with the code of ethics and to avoid any actual or potential conflict of interest or any abuse of an employee’s position of trust and responsibility;
- The principle that investment adviser personnel should not take inappropriate advantage of their positions;
- The fiduciary principle that information concerning the identity of security holdings and financial circumstances of clients is confidential; and
- The principle that independence in the investment decision-making process is paramount.

JPTCM provides a copy of the code to any client or prospective client upon request to their IAR.

### ***Review of Accounts***

Reviews are performed annually or more often upon your request. We initially review your information to determine whether a particular advisory program or investment strategy is suitable for you. We also review and update your financial status, goals and objectives on an annual basis to document continued suitability.

More frequent reviews may be triggered by material changes in your individual circumstances, changes or shifts in the

economy, changes in the management of mutual funds, or market shifts and corrections. Your advisory representative is responsible for reviewing your account.

Certain clients, dependent upon their choice of investment program, receive quarterly reports showing the investment performance in their account.

### ***Client Referrals and Other Compensation***

JPTCM has arrangements that are material to its advisory business or its clients with a related entity, J.P. Turner & Company, LLC, a registered broker/dealer. JPT is under common ownership with JPTCM and is considered a sister company. JPT provides access to trade execution services for JPTCM. JPT is also an insurance agency. Certain directors and members of executive management of JPTCM also serve as directors and/or executive management of JPT.

As part of JPTCM's IARs' other business activities, they may effect securities transactions for or sell insurance products to clients. JPTCM may be receiving a fee for investment advice in advisory accounts and representatives may be receiving a separate, yet customary, commission for any transactions effected in JPT brokerage accounts.

JPTCM and its representatives may engage in personal securities transactions. The personal securities transactions of JPTCM and its representatives may raise potential conflicts of interest when such persons trade in a security that is 1) owned by a client or 2) considered for purchase or sale for a client. JPTCM has adopted policies and procedures that are intended to ensure that transactions are effected for clients in a manner that is consistent with the fiduciary duty and in accordance with applicable law. Persons who wish to purchase or sell securities of the types purchased or sold for clients may do so only in a manner consistent with JPTCM policies and procedures.

Independent and JPTCM IARs may recommend program accounts to current and/or prospective clients and as a result of such person's participation in these programs may receive all or a portion of the fee charged by JPTCM. Such payments may be made for the duration of client's participation in the program and may be greater than other forms of compensation had such person paid separately for investment advice, brokerage and other services provided to client as part of a wrap fee program. Independent IARs may also receive higher fees as a result of recommending JPTCM programs to clients rather than other programs or services, which are offered by the independent Investment Advisers. As a result, IARs of JPTCM and independent Investment Advisers may have a financial incentive to recommend certain JPTCM programs



over other programs or services offered by JPTCM or the Independent Advisers.

JPTCM has a service agreement with each Independent Adviser, through which JPTCM agrees to provide the Independent Adviser with web-based tools and other services in connection with advisory programs. Independent IARs who offer these advisory services are persons who are RRs of JPT under its securities broker-dealer license. Under the rules and regulations of the FINRA, JPT has obligations to perform certain supervisory functions regarding aspects of the investment advisory activities of JPT RRs. Certain JPT supervisors may receive a portion of advisory fees in connection with their supervisory duties.

JPTCM utilizes money market funds as temporary investment vehicles for clients as permitted by law and subject to applicable restrictions. The use of money market funds either in “sweep” arrangements, for temporary investment purposes, or otherwise may result in JPT earning advisory, distribution or other fees described herein. The fees earned by JPT may vary depending on the money market funds utilized.

Further, certain mutual funds pay a periodic fee (i.e. “Rule 12b-1 fee”) to the broker-dealer of record on the account. JPT, its RRs, as well as Independent IARs, may receive a portion of any Rule 12b-1 fees paid to the broker-dealer from mutual funds recommended to advisory clients. In addition, clients may also

incur certain charges imposed by third parties other than JPTCM and IAR in connection with VAs, including but not limited to internal Variable Annuity Sponsor fees, as well as 12b-1 distribution fees (trail commissions) on certain underlying sub-accounts. As aforementioned, certain mutual funds (and/or their related persons) in which a client may invest make 12b-1 fee payments to broker/dealers. Such payments may be distributed pursuant to a 12b-1 distribution plan or pursuant to another arrangement as compensation for distribution or administrative services and may be paid out of the fund’s assets, and therefore, indirectly paid by the client. JPT and/or its RRs may receive such 12b-1 fees or other compensation to the extent permitted by applicable law. The fees earned by JPT may vary depending on the funds utilized and may be waived or credited to the client against advisory fees payable to JPT in connection with certain programs offered by JPT or for certain types of accounts. Because of these compensation arrangements, a conflict of interest may exist in connection with the recommendation of particular mutual fund investments for a client’s account.

#### *Financial Information*

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to you and we have not been the subject of a bankruptcy proceeding.