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This Brochure provides information about the qualifications and business practices of ACG Wealth. If you have any questions about the contents of this Brochure, please contact us at (404) 893-4100. 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.

ACG Wealth is a Registered Investment Adviser. Registration of an Investment Adviser does not imply any level of skill or training. This Brochure is intended, in part, to provide information which can be used to make a determination to hire or retain an Adviser.

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

## Item 2 – Material Changes

Changes on our February 2017 annual update:

Atlanta Capital Group has changed their firm name to ACG Wealth Inc. (“ACG Wealth” or “ACG”). Additionally, our broker dealer also changed their name from MSY Securities, LLC to Arkadios Capital. The Fee schedule has been adjusted as well, see item 5 for more information. Also, in Item 10 we discuss ACG Wealth’s affiliation through common ownership with ACG Investment Management, LLC, a Registered Investment Advisor and manager of the OG Ao Fund, LLC. No other material changes have occurred since our interim filing in November of 2016.

Changes on our November 2016 update:

Since our last annual update dated March 27, 2015, MSY Securities, LLC (“MSY”), a FINRA registered broker/dealer was created and will be affiliated with Atlanta Capital Group (ACG). All securities will be offered through MSY instead of Triad Advisors, Inc. (“Triad”). Since MSY is affiliated with ACG, numerous disclosures were added or amended throughout this Brochure and we encourage clients to review the Brochure in its entirety. If an adviser was also a registered representative of Triad, they will now be a registered representative of MSY. Also, if clients had accounts managed in Triad’s Pinnacle or Summit platforms, those accounts will now be managed in MYS’s Peak or Crest platforms. Additional disclosures have been updated regarding Peak and Crest accounts, please see Items 4 and 5 for more information. If you have further questions not addressed in this Brochure, please contact your adviser at 404-893-4100.

Our Brochure may be requested by contacting us at (404) 893-4100 or by emailing [compliance@atlantacapitalgroup.com](mailto:compliance@atlantacapitalgroup.com). Additional information about ACG Wealth is also available via the SEC’s web site [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). The SEC’s web site provides information about any persons affiliated with ACG Wealth who are registered, or are required to be registered, as investment adviser representatives of ACG Wealth.

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#### **Item 4 – Advisory Business**

ACG Wealth (“ACG”) was established in 2009 and approved as a Registered Investment Adviser in June of 2009. David Millican, Jeffrey T. Shaver and Joseph Young are co-founders, Principals and Managing Partners with 33.33% ownership each.

For its investment advisory clients, the firm presently offers the following types of advisory services:

- I. Advisory Managed Account Solutions**
- II. Portfolio Management**
- III. Business and Wealth**
- IV. Plan Sponsor and Plan Participant Services**

The firm uses a variety of proprietary models which look to provide growth opportunity and reduce volatility. Clients may be allocated into one or more models within the Advisory Managed Account Solutions, Portfolio Management, or Business and Wealth accounts. The models include, but are not limited to, rotating assets to various asset classes based on the perception of the research and tools used along with the clients perceived risk tolerance profile. Our investment committee meets weekly to discuss current market conditions, portfolio positions and to make new investment decisions.

We start with a top down approach to identify our broad asset allocation mix using 6 broad asset classes: cash, fixed income, international equities, domestic equities, currencies and commodities. Hedgeye Risk Management research firm is used for global macro views and Dorsey Wright and Associates is used for technical and relative strength research. Hedgeye provides a global macro view of risk and opportunity in 3 different durations: short, intermediate and long. Dorsey Wright’s relative strength tools and supply and demand indicators identify the strongest broad based asset classes. After identifying the broad based asset allocation target, we use relative strength indicators to identify the strongest market style and business sectors within each asset class. After identifying the stock, mutual fund or exchange traded fund (ETF) to buy, we use point and figure trend charts and overbought/oversold indicators to look for entry points.

Morningstar and Dorsey Wright are used to assist in our mutual fund selections. Mutual fund investments made in a model portfolio are generally considered to be long term investments. For selection of ETFs, we use Dorsey Wright’s relative strength tools and guided models to help make our decisions. ETFs may be traded with a short, intermediate or long term outlook.

#### **I. ADVISORY MANAGED ACCOUNT SOLUTIONS**

Arkadios Capital (“Arkadios”), as a fully disclosed Introducing Broker Dealer, provides ACG direct access to various account structures available through National Financial Services, LLC (“NFS”). NFS, as the custodian holding the account, provides custody, transaction and banking services. See Item 10 for more information about Arkadios Capital, a broker-dealer affiliated with ACG through common control and ownership.

Most accounts are managed on a discretionary basis, meaning that the advisor has discretion over what securities to buy and sell. However, clients may elect to have their account managed on a non-discretionary basis, meaning that the client must consent to each trade in the account. This trading discretion and any limitations on it will be set forth in the client agreement. The services provided are the same regardless of the account structure selected. Depending on the client’s investment objectives, the

advisor may manage and provide advice on mutual funds, stocks, bonds, exchange traded funds (ETFs), LPs, and options. All of the account structures give the advisor the ability to customize asset allocation, investment selection, and investment strategies to meet their financial situation and investment goals.

Advisory Managed Account Solutions accounts are offered through *Peak*, a wrap fee program and *Crest*, a non-wrap fee program. In a Crest account, clients pay an advisory fee plus additional transaction based charges (see Item 5 for more information on fees). In a Peak account, the client pays a single fee that covers the advisory services and the execution of transactions through NFS. Clients that anticipate trading primarily in equities and ETFs are typically recommended to open a wrap fee account; clients that anticipate trading in mutual funds with little or no anticipated trading in equities and ETFs will be recommended to open a non-wrap fee account. More information regarding the services and fees of the Peak accounts are separately disclosed in the Peak Wrap Fee Brochure, which is available upon request.

Several other factors influence the selection of the account structure, including but not limited to:

- the client's preference for how charges will be paid, i.e., a wrap account vs. transaction charges per trade on certain or all securities
- account size
- anticipated trading frequency
- anticipated types of securities to be traded
- long term investment goals

Advisory services are tailored to the individual needs of each client. The advisor will assist clients in connection with establishing and monitoring of investment objectives, risk tolerance, asset allocation goals and time horizon. Clients have the opportunity to place reasonable restrictions or constraints on the way their accounts are managed; however, such restrictions may cause the advisor to deviate from a strategy or recommendations that the advisor would have made if such restrictions or constraints were not in place. Thus, the account's performance could be lower than it otherwise would have been.

The services that ACG provides under some or all of these investment options may be available from other providers for lesser fees. In addition, clients can buy securities (e.g., mutual funds, exchange-traded funds, etc.) outside of ACG's investment programs without incurring fees through our program.

## **II. Portfolio Management**

Portfolio Management is based on the individual objectives of each client portfolio and may or may not represent the overall objectives of the clients' total investment assets. ACG recommends and employs various investment strategies. Portfolio Management accounts are designed to provide discretionary management by an Investment Advisor Representative of the firm. ACG assists each Portfolio Management client in formulating investment objectives and manages the account within established guidelines regarding, among other matters, diversification and designation of securities that are purchased.

Portfolio Management accounts may be custodied at Charles Schwab & Co. ("Schwab") or Fidelity Institutional Wealth Services ("FIWS"). For these accounts, each portfolio is tailored to a client's particular investment needs and circumstances. This includes discretionary investment management in accounts based on the client's investment needs and a risk strategy (from conservative to aggressive), which is selected in conjunction with the client and incorporated into the account agreement. The available risk

strategies correlate to asset allocation models developed by ACG based on target allocations for various asset classes and sub-classes. ACG selects investments in the client's account that are consistent with the selected risk strategy and that pass a series of quantitative and qualitative filters. Portfolio Management accounts are periodically rebalanced toward their asset allocation targets.

Under the terms of the agreement with the client, the Advisor will:

- Establish the investor's risk profile, investment objectives and time horizon through personal discussions with the client.
- Set a relevant asset allocation policy for the investor.
- Diversify among asset classes and styles.
- Rebalance the investor portfolio as deemed necessary by the Advisor.
- Report and review investment results from time to time. Reviews may include client's performance in light of identified needs and objectives. They will be conducted on a continuous or periodic basis, as agreed upon by the client and in the Agreement with the client.
- Recommend changes in the client's investments, investment strategy or objectives. Recommendations may be given in connection with the review of the client's current investments or the client's financial needs or objectives as identified by the client.\
- Report the current status of client holdings on a periodic basis.

### **III. Business and Wealth**

Upon specific requests by the client, ACG will provide financial consulting to meet the client's needs and investment objectives as described by the client. During meetings with the client the investment philosophy, risk tolerance and investment objectives are discussed. Depending upon the scope of the engagement and specific requests by the client, ACG may provide a written plan which reviews client's current situation and recommends an investment strategy consistent with the client's stated financial and personal goals. Business and Wealth clients paying a fixed fee will be custodied through Fidelity Institutional Wealth Services ("FIWS").

Services may include a written financial plan; quarterly account reviews; investment policy statement; development of asset allocation guidelines and strategies; and/or income tax filing services. The Advisor may charge a fixed fee per quarter to be determined based upon the specifics of the project. ACG encourages clients to use the services of an estate attorney and does not render legal advice.

### **IV. Plan Sponsor and Plan Participant Services**

ACG provides investment consulting services to retirement plans for the benefit of their participants and their beneficiaries (collectively the "Participants"). The services provided by ACG are set forth in the agreement with the plan sponsor and may include: coordination and participant enrollment; investment monitoring and review services; and individual participant services.

As of January 13, 2017, ACG held \$1,113,300,000 in assets under management on a discretionary basis and \$259,400,000 on a non-discretionary basis.

### **Item 5 – Fees and Compensation**

The specific manner in which fees are charged by ACG is established in a client's written agreement. Fees are based on the assets in the account per the fee schedule and in some instances, may be negotiated. The Management Fee compensates the Adviser and its representatives for the asset management services, investment advice and recommendations provided. The value of the assets will be based on

information provided by the custodian of the assets, the client or other third party, as applicable. Clients generally instruct ACG to debit the fee from one of the client's accounts.

For its investment advisory clients, the firm presently offers the following types of advisory services:

- I. Advisory Managed Account Solutions**
- II. Portfolio Management**
- III. Business and Wealth**
- IV. Plan Sponsor and Plan Participant Services**

#### **I. ADVISORY MANAGED ACCOUNT SOLUTIONS – Crest Account**

The Crest account is potentially suitable for accounts in which the Investment Adviser Representative anticipates primarily investing in mutual funds, and/or for clients that do not wish to pay transaction charges for mutual fund trades. Crest accounts are custodied with NFS.

The basic asset based fee schedule for the Crest Account is as follows:

<u>Account Balances</u>	<u>Annual Fee</u>
\$0 - \$250,000	2.75%
\$250,001 - \$500,000	2.25%
\$500,001 - \$1,000,000	1.75%
\$1,000,001+	1.50%

In addition to the advisory fee, Crest accounts will be assessed transaction charges for trades other than mutual fund trades, such as equities, ETF's or bonds. These transaction charges may be higher or lower than transaction charges or commissions charged by other broker-dealers. When appropriate, the Advisor will recommend the purchase or sale of non-mutual fund securities and the client will pay a transaction fee for those trades. However, mutual funds within this program pay 12(b)-1 service fees (normally 0.25% per year) to NFS. Because Arkadios acts as the Introducing Broker to NFS, those "indirect" service fees are passed on to Arkadios. This creates an incentive to recommend investment products based on the compensation received rather than on a client's needs. Clients have the option to purchase investment products that we recommend through other brokers or agents that are not affiliated with ACG. Indirect fees received from mutual funds are considered and anticipated when net fees are set.

For the majority of Crest accounts, fees are billed monthly or quarterly in advance and automatically deducted from the account pursuant to the advisory agreement and not billed separately to clients. Clients have the option of choosing monthly or quarterly billing for the majority of accounts; this election will be made on the applicable fee agreement. Refund of fees that are paid in advance will be prorated to the date of termination, and any unearned portion will be refunded back to the client.

The Advisory Managed Account Solutions account is also offered in a wrap fee program ("Peak"). *The Peak account is more fully described in the Peak Wrap Fee Program Brochure, which may be obtained by calling our main office number listed on the front of this Brochure.* The Peak account is potentially suitable for accounts in which the Investment Adviser Representative anticipates primarily investing in stocks/ETFs, and/or for clients that do not wish to pay transaction charges for trades. Peak accounts are custodied with NFS.

## II. Portfolio Management

Portfolio Management accounts are custodied at Schwab or Fidelity and may use a third-party money manager. Portfolio Management accounts will be charged a negotiable rate based on the fee schedule below:

The basic asset based fee schedule for the Portfolio Management account is as follows:

<u>Account Balances</u>	<u>Annual Fee</u>
\$0 - \$250,000	2.75%
\$250,001 - \$500,000	2.25%
\$500,001 - \$1,000,000	1.75%
\$1,000,001+	1.50%

Fees are charged quarterly and are based on the value of the account on the last business day of the calendar quarter. The account value is calculated as the market value of all long and short securities positions in the account and will not be reduced by any margin or other indebtedness of the client with respect to such securities or other investments. If ACG is assessed a transaction fee, such fee will be passed on at cost. Fees in excess of 2% are higher than industry norms. Other investment advisors may offer programs that charge similar fees may not charge separately for brokerage and transaction costs.

All advisory contracts will specify how fees are to be billed. Generally, fees are either paid in advance or in arrears of service.

**If paid in advance**, the initial fee payment is due in full on the date the client's account is accepted and opened by the firm and will be based on the asset value of the account on that date.

**If paid in arrears**, the fee payment is due following the 1st calendar quarter. The period for which such payment will be made will run from the opening date through the last day of the full calendar quarter and will be prorated. Thereafter, the quarterly fee is based on the account asset value on the last day of the respective calendar quarter.

Fees will not be adjusted or pro-rated for additions to or withdrawals from the account during the calendar quarter. Clients must maintain or deposit sufficient funds in the account to cover payment of all fees authorized by the contract, and the firm, clearing firm, and/or custodian will debit the account balances or redeem money market fund shares in the amount equal to the fee that is due. If there are not funds to cover the fees, then ACG can liquidate assets to cover fees.

ACG does not normally consider its management fee to be negotiable, although ACG reserves the right in its discretion, based on factors that it deems to be relevant, to agree to a management fee for any particular client that varies from the fee set forth in the table above and which may be lower or higher than fees charged to another client with a similar sized account. Relevant factors that lead to a variation in fees include, for example, the size and scope of the client's overall relationship and the fees that the client's account was charged at another firm prior to transferring to ACG.

Clients with a third party managed account will pay additional fees which are outlined in each respective manager's Part 2A Brochure and Advisory Contract. The firm will be paid an on-going fee based upon a



percentage of each client's assets under management with respect to each manager. Each client will receive a copy of such an advisory agreement which will disclose the fee. ACG has a potential conflict of interest in that its advisors could be motivated to recommend management styles and managers that would result in higher fees to the advisor and/or the firm. We will make all recommendations independent of such fee consideration. The Advisor's recommendations will be based solely on its obligation to consider first and foremost a client's objectives and needs.

A client may terminate his relationship in accordance with the respective managers' disclosure documents. Pre-paid fees will be refunded in accordance with the respective manager's agreement and disclosure documents.

### **III. Business and Wealth**

Unlike other programs, where fees are based on the value of the assets in the account, Business and Wealth clients are charged a fixed rate. Depending upon the scope of the engagement and specific requests by the client, the firm may charge on an initial fee at an hourly rate of \$175-\$350 per hour. The actual fee is established after the initial concept or fact finding meeting. After the initial financial plan is delivered, and should the client wish to engage ACG to monitor the implemented plan, ACG offers financial consulting for a quarterly fixed fee. The actual fee depends on the nature and complexity of the financial consulting agreed upon and will be detailed in the client agreement. The quarterly fee is due at the time of the engagement and quarterly in advance of services thereafter.

This program will allow for a strategic action plan to be developed and implemented as well as address the specific areas requested or identified by the client. If the client initiates termination of the account, the client will be refunded a portion of the fee based upon a pro-rated calculation related to the time and expense expended by the firm. In additions, should a client be dissatisfied with the services rendered, ACG will refund part or all of the fees paid, at management's sole discretion.

### **IV. Plan Sponsor and Plan Participant Services**

In exchange for the services provided to plan sponsors and participants, ACG will charge an annual fee of up to 0.75% based on the value of the Plan assets. The fee is paid at the end of each month or each quarter in arrears. Plan Sponsors may terminate their agreements at any time upon thirty days' written notice. If the Plan Sponsor services are terminated during any period except on the last business day of a quarterly period, the fee will be assessed pro rata based on the number of days that services were provided. If the fee is to be paid out of Plan assets, the Plan Sponsor generally authorizes the Plan record keeper to calculate and instruct the custodian to deduct the fee from the Plan assets and pay it to ACG; otherwise ACG will send the Plan Sponsor an invoice and payment of which is generally due in full within ten business days.

The fees paid for plan sponsor and participant services described above cover only the services provided by ACG under the agreement with the Plan Sponsor. The Plan Sponsor and/or participants will also pay separate fees for custody, third-party administrative services, and for trustee or other third-party services. In addition, each mutual fund or exchange-traded fund (ETF) in which a client may invest also bears its own investment advisory fees and other expenses. Fund transactions may also be subject to applicable commissions and/or transaction charged by the platform chosen by the Plan Sponsors.

The value of the assets will be based on information provided by the third-party administrator of the plan or the plan's custodian. ACG does not independently verify this information nor does ACG guarantee the

accuracy or validity of such information. The third-party administrator will generally calculate the fee owed to ACG and debit the applicable plan accounts.

#### **GENERAL FEE INFORMATION**

The transaction charges have been established to compensate our firm for its services and reimburse us for expenses in executing transactions in the accounts. The transaction charges are negotiated with our custodian and may be higher than transaction charges or commissions that a client might pay if the transactions were executed at another broker-dealer. Arkadios and the custodian each receive a portion of the transaction fees paid by clients. Although transaction charges may be identified as commissions on trade confirmations, the Investment Adviser Representative does not receive any portion of these charges. More details about these fees and charges are discussed in Items 5 & 12 of this Brochure and in the client advisory agreement exhibit.

The advisory fees and transaction charges do not cover charges imposed by third parties for investments held in the account, such as contingent deferred sales charges or 12(b)-1 trails on mutual funds. In addition, each mutual fund or third-party money manager charges asset management fees, which are in addition to the advisory fees charged by our firm. The fees charged by such funds or managers are disclosed in each fund's prospectus or Manager's ADV Part 2A. Accounts may require a minimum advisory fee or quarterly maintenance fee that will be detailed in the applicable advisory agreement. The Management Fee also does not cover fees and charges in connection with: debit balances; margin interest; odd-lot differentials; IRA fees; transfer taxes; exchange fees; wire transfers; extensions; non-sufficient funds; mailgrams; legal transfers; bank wires; postage; costs associated with exchanging foreign currencies; and SEC fees or other fees or taxes required by law.

Our Investment Adviser Representatives may trade on margin for client's accounts, which could result in a high portfolio turnover ratio and higher transaction charges in accounts with such charges. Additionally, the use of margin results in interest charges as well as all other fees and expenses associated with the security or account involved.

ACG's affiliated broker-dealer, Arkadios, receives distribution or service fees (trails) from the sale of certain mutual funds (including money market funds) pursuant to a 12(b)-1 distribution plan or other such plan as compensation for distribution or administrative services and are distributed from the fund's total assets. These fee arrangements will be disclosed upon request of a client and are available in the applicable fund's prospectus. In addition, Arkadios receives compensation in connection with cash held in the account. Additionally, Arkadios receives compensation from the custodian based on the value of credit balances in the accounts. If cash is swept into a money market fund, Arkadios receives compensation based on the value of assets in these funds as broker-dealer. Thus, because ACG has an incentive to recommend that client select a money market fund as a sweep vehicle that pays more compensation to the affiliated broker-dealer than other funds, there is an inherent conflict of interest.

Clients can purchase securities through broker-dealers in initial public offerings, secondary offerings and special purpose acquisition company transactions. If ACG acts as a member of the selling syndicate for such offerings, the firm will receive compensation equal to a portion of the gross spread (the difference between the price the client pays for the security and the price at which it purchased the securities). The advisory fee is not reduced to offset this compensation. The amount of the gross spread is described in the relevant prospectus, offering circular or official statement.

Most ACG Investment Adviser Representatives are also registered broker-dealer representatives of Arkadios Securities, LLC. Arkadios may share a portion of payments received from a mutual fund or in connection with an initial public offering, a secondary offering, and/or a private placement with these advisor representatives. These financial consultants also receive compensation, such as 12(b)-1 or services fees, in connection with the sale of funds. ACG Advisors also receive a portion of the compensation that ACG receives as a member of a selling syndicate. Thus, ACG Advisors have an incentive to recommend certain mutual funds and to recommend purchases of sales in certain offerings because the Advisor will receive more compensation in connection with these securities than in connection with other types of securities. This creates a conflict of interest. Such fees are described in mutual fund prospectuses.

Although ACG believes its fees are reasonable in light of the services provided, clients should be aware that such fees may be more or less than the fees and commissions associated with investment advisory and brokerage services purchased separately. The comparison is dependent upon a number of factors, including the frequency of brokerage activity in the client's account, the size of the account under management, and any negotiated fee arrangements with respect to the account. An investor should consider these factors prior to opening an Advisory Account with ACG. Transaction fees charged may be higher than those otherwise available if the services were provided separately for a discrete fee or if an Investment Advisor were to select brokerage and negotiate commissions in the absence of the extra consulting service provided. Clients should consider the value of the additional consulting services when making such comparisons. The combination of custodial, consulting, and brokerage services may not be available separately or may require multiple accounts, documentation, and fees. Fees in excess of 2% are higher than industry norms. Other investment advisors may offer programs that charge similar fees may not charge separately for brokerage and transaction costs. All fees described herein are subject to negotiation depending on a range of factors including, but not limited to, account size and overall range of services requested.

#### **ACCOUNT TERMINATION**

The client and/or the firm can initiate termination of the contract at any time by sending written notice to the contra party and will be deemed to be accepted the day that it is received by the contra party. A termination fee will apply if the account is terminated by the client within the first year of the advisory contract; however, a full refund will be provided without penalty if the client terminates the contract within five business days of signing with the firm. For the purposes of this provision, a contract is considered entered into when all parties to the contract have signed the contract.

If the client instructs ACG to terminate their advisory contract and liquidate their account, ACG will proceed with liquidation of the account in an orderly and efficient manner. There will not be a charge by ACG for such redemption; however, certain mutual funds impose redemption fees as stated in each company's fund prospectus in certain circumstances. Clients must keep in mind that the decision to liquidate security issues or mutual funds may result in tax consequences that should be discussed with the client's tax advisor. Factors that can affect the orderly and efficient manner would be size and types of issues, liquidity of the markets, and market makers' abilities. Should the necessary securities' markets be unavailable and trading suspended, efforts to trade will be done as soon as possible following their reopening. Due to the administrative processing time needed to terminate client's investment advisory service and communicate the instructions to client's Investment Advisor, termination orders received

from clients are not market orders; it may take several business days under normal market conditions to process the client's request. During this time, the client's account is subject to market risk. ACG and its agent are not responsible for market fluctuations of the client's account from time of written notice until complete liquidation. All efforts will be made to process the termination in an efficient and timely manner.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

ACG does not charge any performance-based fees (fees based on a share of capital gains on or capital appreciation of the assets of a client).

#### **Item 7 – Types of Clients**

ACG provides portfolio management services to individuals, corporations and business entities, pension and profit-sharing plans, charitable institutions, foundations, endowments, estates and trusts. The minimum account size is \$50,000. ACG has the discretion to waive the account minimum. For any third-party manager programs, minimums vary by manager and such information is disclosed in each respective brochure.

#### **Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss**

Our investment strategy begins with an understanding of a client's financial goals. Advisors use demographic and financial information provided by the client to assess the client's risk profile and investment objective(s) in determining an appropriate plan for the client's assets. Investment strategies ordinarily include long- or short-term purchases of stock portfolios, mutual funds and fixed income securities.

Investment recommendations are based on an analysis of the client's individual needs, and are drawn from research and analysis. Security analysis methods typically include the following:

- **Fundamental analysis:** We attempt to measure the intrinsic value of a security by looking at economic and financial factors to determine if the company is underpriced or overpriced. Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.
- **Technical analysis and charting:** We attempt to determine the trend of a security by studying past market data, including price and volume. This presents a potential risk, as the price of a security can change directions at any time and past performance is not a guarantee of future performance.
- **Cyclical analysis:** We attempt to identify the industry cycle of a company to determine whether the company is in a market introduction phase, growth phase or maturity phase. Generally projected revenues, growth potential and business risk may fluctuate based on the company's cycle stage.

Information for this analysis may be drawn from financial newspapers and magazines, research materials prepared by others, annual reports, corporate filings, prospectuses, company press releases and corporate ratings services.

It is important to note that investing in securities involves certain risks that clients must be prepared to bear. Though the goal of the firm is to find quality investments and proper allocation strategies, there is no guarantee that the goal will be met, and/or that the value of investor portfolios will not decline in value

during any given time period. For any risks associated with Investment Company products, please refer to the prospectuses for additional details about these risks. Our investment approach constantly keeps the risk of loss in mind. These risks include, but are not limited to:

- Interest-rate Risk: Fluctuations in interest rates cause investment prices to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.
- Market Risk: The price of a security, bond, or mutual fund can drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.
- Inflation Risk: When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.
- Reinvestment Risk: This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (i.e. interest rate). This primarily relates to fixed income securities.
- Business Risk: These risks are associated with a particular industry or a particular company within an industry. For example, oil-drilling companies depend on finding oil and then refining it, a lengthy process, before they can generate a profit. They carry a higher risk of profitability than an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.
- Liquidity Risk: Liquidity is the ability to readily convert an investment into cash. Generally, assets are more liquid if many traders are interested in a standardized product. For example, Treasury Bills are highly liquid, while real estate properties are not.
- Financial Risk: Excessive borrowing to finance a business' operations increases the risk of profitability, because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations could result in bankruptcy and/or a declining market value.

#### **Item 9 – Disciplinary Information**

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client's evaluation of ACG or the integrity of ACG's management. ACG has no information applicable to this Item.

#### **Item 10 – Other Financial Industry Activities and Affiliations**

Arkadios Capital ("Arkadios"), a registered broker-dealer, and Arkadios Wealth, a Registered Investment Advisor are affiliated with ACG Wealth through common ownership. Most individuals associated with ACG as an Investment Adviser Representative are also registered as a Registered Representative. When applicable, these individuals recommend broker-dealer transactions for advisory clients. All related compensation is separate from advisory services. This arrangement poses a conflict of interest to the extent that there is a financial incentive to recommend securities and other insurance products that result in commissions, brokerage fees, 12b-1 fees or other payments. ACG is dedicated to acting in our clients' best interests based on fiduciary principles. Clients are under no obligation to purchase any recommended brokerage products or insurance products.

On average individual Investment Advisor Representatives and the principals of ACG spend 50% of their time on other such activities. If a trade error were to occur, it may result in profit or loss to the firm. The

firm has controls in place to limit such trade errors. Investment Advisers will not participate in any profits resulting from such errors.

Clients may purchase securities through broker-dealers in initial public offerings, secondary offerings and special purpose acquisition company transactions. If ACG acts as a member of the selling syndicate for such offerings, the firm will receive compensation equal to a portion of the gross spread (the difference between the price the client pays for the security and the price at which it purchased the securities). The advisory fee is not reduced to offset this compensation. The amount of the gross spread is described in the relevant prospectus, offering circular or official statement.

When Arkadios is a member of the selling syndicate, ACG Advisors, acting as a Registered Representative of Arkadios, receive compensation from the sale of an initial public offering (IPO). Such compensation will not offset advisory fees. This poses a conflict of interest for those individuals as they have a financial incentive to recommend IPO purchases. However, ACG and its personnel are constrained by fiduciary principles to act in the client's best interest and will only recommend IPO's when they are believed to be suitable.

Certain Advisors are separately licensed as insurance agents/brokers for various independent insurance companies. These individuals spend as much as 5% of their time with these aforementioned non-advisory activities. In their capacities as registered representatives or as independent insurance agents, clients will be charged separately from their advisory services. ACG clients are not obligated to purchase any recommended insurance products.

ACG Wealth is now affiliated through common ownership with ACG Investment Management, LLC, a Registered Investment Advisor and manager of the OG Ao Fund, LLC. A potential conflict of interest could occur if an IAR of ACG were to recommend an investment in the OG Ao Fund, LLC instead of other investments available through ACG. As a fiduciary any recommendation must be in the best interest of the client and all recommendations to invest in the Fund will be reviewed with this in mind.

Item 12 includes additional details regarding brokerage practices and related disclosures.

#### **Item 11 – Code of Ethics**

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

Advisors of ACG may buy or sell securities that are recommended to clients. ACG's employees and persons associated with ACG are required to follow the Code of Ethics. Subject to satisfying this policy and applicable laws, officers, directors and employees of ACG and its affiliates may trade for their own accounts in securities which are recommended to and/or purchased for ACG's clients. The Code of Ethics is designed to assure that the personal securities transactions, activities and interests of the employees of ACG will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code certain classes of securities have been designated as exempt transactions,

based upon a determination that these would not materially interfere with the best interest of ACG's clients. In addition, the Code restricts trading in close proximity to client trading activity. When practical, employee trades are aggregated with client trades. Nonetheless, because the Code of Ethics in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client. Employee trading is continually monitored under the Code of Ethics to reasonably prevent conflicts of interest between ACG and its clients.

Certain affiliated accounts trade in the same securities with client accounts on an aggregated basis when consistent with ACG's obligation of best execution. In such circumstances, the affiliated and client accounts will share commission costs equally and receive securities at a total average price. ACG will retain records of the trade order (specifying each participating account) and its allocation, which will be completed prior to the entry of the aggregated order. Completed orders will be allocated as specified in the initial trade order. Partially filled orders will be allocated on a pro rata basis. Any exceptions will be explained on the order.

A copy of the firm's Code of Ethics may be requested by contacting the Compliance Department at our main number.

#### **Item 12 – Brokerage Practices**

For ACG client accounts maintained in its custody, the custodian holding the account does not generally charge separately for custody services. They are compensated by account holders through commissions and other transaction-related or asset-based fees for securities trades that are executed. The custodians make products and services available to ACG that benefit ACG but may not directly benefit its clients' accounts. Many of these products and services are used to service all or a substantial number of ACG accounts. Some of these products and services provided includes software and other technology that (i) provides access to client account data (such as trade confirmations and account statements); (ii) facilitates trade execution and allocates aggregated trade orders for multiple client accounts; (iii) provides research, pricing and other market data; (iv) facilitates payment of ACG fees from its clients' accounts; and (v) assists with back-office functions, recordkeeping and client reporting.

ACG does not recommend broker-dealers for client transactions in connection with third-party money managers or plan sponsor and plan participant services.

When client accounts are held at NFS, Fidelity, or Schwab, the commissions paid by ACG's clients comply with ACG's duty to obtain "best execution." Clients may pay commissions that are higher than another qualified Financial Institution might charge to effect the same transaction where ACG determines that the commissions are 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 Financial Institution's services and the fees for those services, including among others, the value of research provided, execution capability, commission rates, and responsiveness. ACG seeks competitive rates but may not necessarily obtain the lowest possible commission rates for client transactions.

Consistent with obtaining best execution, brokerage transactions may be directed to certain broker-dealers in return for investment research products and/or services which assist ACG in its investment decision-making process. Such research generally will be used to service all of ACG's clients, but brokerage commissions paid by one client may be used to pay for research that is not used in managing that client's portfolio. The receipt of investment research products and/or services as well as the allocation of the

benefit of such investment research products and/or services poses a conflict of interest because ACG does not have to produce or pay for the products or services. The products received qualify as "brokerage or research services" under Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act").

ACG and Arkadios have a referral arrangement with NFS, whereby ACG and Arkadios receive business credits or other compensation from NFS based on the amount of client assets custodied by NFS, which will be transferred to the advisory platform maintained by Fidelity Institutional Wealth Services (FIWS), a division of NFS' affiliated company Fidelity Brokerage Services, LLC. For those clients that invest with advisers utilizing the NFS platform, this potentially creates a conflict of interest in that it gives ACG a financial incentive to recommend NFS. However, the advisers themselves do not have a financial incentive to recommend NFS. There are times where the advisers or ACG may indirectly benefit from the account being established on the NFS platform because of Arkadios' affiliation with ACG due to common control and ownership. Clients do not incur any additional fees or expenses as a result of payments of business credits or compensation by NFS to ACG or Arkadios.

Trades executed through Arkadios, ACG's affiliated broker-dealer, will be charged transaction fees. Arkadios will receive a portion of the transaction fees for their brokerage services including trade execution and back office support. ACG or its associated persons will not receive compensation for such transactions.

ACG's fees are exclusive of brokerage commissions, transaction fees, 12b-1 fees and other related costs and expenses which shall be incurred by the client. Clients may incur certain charges imposed by custodians, brokers, third party investment and other third parties such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer fees, transfer taxes, lost certificate fees, wire transfer and electronic fund fees, postage and handling for paper delivery of statement and trade confirmations, margin and pre-payment fees, and other fees and taxes on brokerage accounts and securities transactions. NFS provides us with access to its institutional trading and custody services. These services include brokerage, custody, research, and access to mutual funds and other investments that are otherwise generally available only to institutional investors.

NFS makes available to ACG other products and services that benefit ACG but may not benefit client accounts. Some of these other products and services assist ACG in managing and administering client accounts. These product and services include software and technology that provide access to client account data (such as trade confirmations and account statements), facilitate trade execution (and allocation of aggregated trade orders for multiple client accounts), provide research, pricing information and other market data, facilitate payment of our fees by deducting them from client accounts, and assist with back-office functions, recordkeeping, and client reporting. Many of these services generally may be used to service all or a substantial number of our client account. NFS also makes available to ACG other services intended to help manage and further develop ACG's business enterprise. These services may include consulting, publications and conferences on practice management, information technology, business succession, regulatory compliance, and marketing. In addition, NFS may make available or arrange to pay for these services rendered to the firm by third parties. NFS may discount or waive fees it would otherwise charge for some of these services or pay all or a part of the fees of a third party providing these services to ACG. While as a fiduciary, ACG endeavors to act in its clients' best interests, ACG recommendations that clients maintain assets in accounts at NFS may be based in part on the benefit to ACG or the availability of some of the foregoing products and services and not solely on the nature, cost,



or quality of custody and brokerage services provided by NFS, which may create a potential conflict of interest.

Additionally, we receive compensation from NFS, which serves as our Custodian for assets held in customer accounts. More specifically, Fidelity has agreed to pay us a fee when it acts as Custodian for certain assets, namely, certain non-Fidelity No Transaction Fee (“NTF”) mutual funds. NTF mutual funds are mutual funds that are offered through advisors or brokers without any transaction charge. ACG receives additional compensation – from Fidelity, not from our clients – over and above the asset management fee we receive from our clients when such mutual funds are included in our portfolios, and such mutual funds are custodied at Fidelity. Notably, Fidelity mutual funds are excluded from this arrangement, meaning ACG does not receive this fee on any Fidelity mutual funds that are recommended or purchased for client accounts and custodied at Fidelity. Pursuant to ACG’s agreement with Fidelity, Fidelity pays ACG a percentage, depending on the amount of eligible client assets held at Fidelity on an ongoing basis. This arrangement gives rise to conflicts of interest, or perceived conflicts of interest, as ACG would receive more compensation by recommending, or investing in, non-Fidelity NTF funds for clients that are custodied at Fidelity. Clients should be aware, therefore, that ACG’s receipt of additional compensation from Fidelity under this scenario creates a conflict of interest since this benefit could influence ACG’s choice of (1) Fidelity over other custodians that do not furnish similar benefits and (2) non-Fidelity NTF mutual funds over other mutual funds not covered by this arrangement with Fidelity. However, ACG’s commitment to its clients and the policies and procedures it has adopted are designed to limit any interference with ACG’s independent decision-making process when choosing the most appropriate investments or custodian for our clients. As noted above, this additional compensation does not represent additional fees from clients’ accounts to ACG; they are paid by Fidelity. Finally, ACG is committed to utilizing whatever fees the firm receives under this arrangement to enhance our services to clients.

To the extent that ACG is acting as a “Fiduciary” with respect to “Qualified Accounts” subject to “ERISA”, ACG will seek to avoid or remedy any situation where its receipt of compensation from Fidelity for Support Services would be a prohibited transaction under “ERISA”. For purposes of the foregoing, “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the applicable “ERISA-mirror provisions” of Sections 4975 of the Internal Revenue Code of 1986, as amended; “Fiduciary” shall be defined as that term is defined under ERISA; and “Qualified Accounts” shall mean accounts that constitute a retirement plan (including a 401(k) plan) or other employee benefit plan subject to ERISA, an account for a tax-qualified retirement plan (including a Keogh plan), or an individual retirement account under the Internal Revenue Code.

ACG requires that clients establish brokerage accounts with National Financial Services, LLC (“NFS”), Fidelity Institutional Wealth Services (“FIWS”), or Charles Schwab & Co. (“Schwab”) to maintain custody of clients’ assets and to effect trades for their accounts. Not all advisers require their clients to direct brokerage. By directing brokerage, ACG may be unable to achieve most favorable execution of client transactions and may pay more in transaction charges than other broker-dealer firms. Therefore, directed brokerage may cost clients more money. ACG is independently owned and operated and not affiliated with NFS, FIWS, Schwab or any other custodian.

Clients can benefit when we aggregate trades to obtain volume discounts on execution costs. Trade aggregation refers to the practice of combining orders for execution. When consistent with our duty to

obtain best execution, we will aggregate multiple client transactions into a single order in order to obtain the best price for our clients.

#### **Item 13 – Review of Accounts**

Account reviews are conducted by the Advisor at least annually. Factors that are considered during such reviews include, but are not limited to the following: investment objectives, targeted allocation, current allocation, suitability, performance, monthly distributions, concentrated positions, diversification, and outside holdings. Examples of situations that may impact an account include the following: performance that is not in line with the client's "downside risk tolerance," change in investment objective, the client makes a significant addition of capital or withdrawal of capital from the account, rebalancing of the portfolio if current allocation and targeted allocation are not consistent, concentrated position that could lead to volatility, etc.

Clients agree to inform ACG in writing of any material changes to their financial circumstances that might affect the manner in which their assets should be invested. Clients may contact us during normal business hours to consult with an Advisor concerning the management of their account(s).

Item 15 contains information regarding the custody reports provided.

#### **Item 14 – Client Referrals and Other Compensation**

ACG has agreements with Lee Jenkins and Johnson Bryan to pay for client referrals. The solicitor's agreements entered into by ACG comply with rule 206(4)-3 promulgated under the Investment Advisors Act of 1940. If a client is solicited by Lee Jenkins or Johnson Bryan, ACG will pay them a portion of the management fees we collect. The details of the fee payments are described in the Solicitor's Disclosure which is provided to clients at account opening. Solicitor's fees will be based on ACG's normal fee schedule; clients are not charged any additional fees or expenses as a result of the referral.

As set forth in "Fees and Compensation" above, ACG and the Investment Adviser Representatives in their capacity as registered representatives of Arkadios may receive compensation from third parties in connection with trades executed for or investments held in advisory accounts. Certain mutual fund issuers and other third parties sponsor and pay for client luncheons, or other events, that ACG's Investment Adviser Representatives host. These arrangements may give rise to conflicts of interest, or perceived conflicts of interest, with the firm's clients in connection with Investment Adviser Representative recommendation of certain investment products. However, ACG's commitment to its clients and the policies and procedures it has adopted are designed to limit any interference with ACG's independent decision-making process when choosing the best investment for our clients.

#### **Item 15 – Custody**

Clients will receive statements at least quarterly from the qualified custodian that holds and maintains their investment assets. Clients are urged to carefully review such statements and compare the official custodial records to any account statements that ACG or its representatives may provide. ACG statements may vary from custodial statements based on accounting procedures, reporting dates, or valuation methodologies of certain securities.

If any clients are also invested in the OGao Fund, LLC (see item 10 above) they will receive audited annual reports on the performance and operation of the Fund directly from the Fund manager as noted in the subscription agreement.

#### **Item 16 – Investment Discretion**

ACG usually receives discretionary authority in writing from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account. When selecting securities and determining amounts, ACG observes the investment policies, limitations and restrictions of the clients for which it advises. Investment guidelines and restrictions must be provided to ACG in writing.

#### **Item 17 – Voting Client Securities**

As a matter of firm policy and practice, ACG does not vote proxies on behalf of advisory clients. Clients retain the responsibility for receiving and voting proxies for any and all securities maintained in client portfolios. ACG will provide advice to clients regarding the clients' voting of proxies if requested. Clients will receive their proxies or other solicitations directly from their custodian or transfer agent.

#### **Item 18 – Financial Information**

Registered Investment Advisers are required to provide clients with certain financial information or disclosures about ACG's financial condition. ACG has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of any bankruptcy proceeding.

#### **Privacy Policy**

ACG collects non-public information about you from the following sources:

- Information we receive from you on account applications or other forms
- Information about your transactions with ACG or others
- Information we receive from a consumer-reporting agency

We do not disclose any non-public personal information about you to anyone, except as permitted by law. We maintain physical, electronic and procedural safeguards in compliance with federal standards to protect your information. If you decide to close your account(s) or you become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

Investment Advisors of ACG Wealth (ACG) are typically also Registered Representatives of Arkadios Securities, LLC, Inc. ("Arkadios"). ACG will disclose customer information to and receive customer information from Arkadios for the purposes of offering additional products and services to you as well as to effect, administer, service and enforce your requested transactions and maintain and service your accounts. Arkadios may also continue to use personal information they receive from us to perform services on our behalf, to respond to communications from you, as you authorize or request, or, if you are their customer, to offer you their products or services. To the extent that you are entitled to other protections under applicable laws and these laws apply, we will comply with them when we share personal information about you.

ACG restricts access to your personal account information to only those employees who need to know that information to provide products or services to you. For more information on our Privacy Policy, please contact the Compliance Department at (404) 893-4100 or [compliance@atlantacapitalgroup.com](mailto:compliance@atlantacapitalgroup.com).