



**C2P CAPITAL ADVISORY GROUP
D/B/A
PROSPERITY CAPITAL ADVISORS**

FORM ADV PART 2A – BROCHURE

April 2016

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This brochure provides information about the qualifications and business practices of C2P CAPITAL ADVISORY GROUP D/B/A PROSPERITY CAPITAL ADVISORS (hereinafter "PCA").

If you have any questions about the contents of this brochure, please contact PCA at (888)240-0064. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority. Additional information about PCA is available on the SEC's website at www.adviserinfo.sec.gov. You can search this site by a unique identifying number, known as a CRD number. The CRD number for Prosperity Capital Advisors is 156480.

C2P CAPITAL ADVISORY GROUP D/B/A PROSPERITY CAPITAL ADVISORS is an SEC registered investment adviser.

Registration does not imply any level of skill or training.

Item 2. Material Changes

This item discusses only the material changes that have occurred since the Annual Updating Amendment of this Form ADV filed in March 2016.

As part of this Amendment, this FORM ADV has been updated to reflect language changes to Item 12, and Item 14.

Pursuant to current SEC Rules, PCA will ensure that clients receive a summary of any material changes to this and subsequent brochures within 120 days of the close of the firm's fiscal year which occurs at the end of the calendar year. PCA may further provide other ongoing disclosure information about material changes as necessary.

PCA will also provide clients with a new brochure as necessary based on changes or new information, at any time, without charge.

Item 3. Table of Contents

Item 1 – Cover Page.....	1
Item 2 – Material Changes	2
Item 3 – Table of Contents.....	2
Item 4 – Advisory Business	3
Item 5 – Fees and Compensation	6
Item 6 – Performance-Based Fees and Side-By-Side Management.....	11
Item 7 – Types of Clients	11
Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9 – Disciplinary Information	14
Item 10 – Other Financial Industry Activities and Affiliations.....	14
Item 11 – Code of Ethics.....	15
Item 12 – Brokerage Practices.....	16
Item 13 – Review of Accounts	19
Item 14 – Client Referrals and Other Compensation	19
Item 15 – Custody	20
Item 16 – Investment Discretion	20
Item 17 – Voting Client Securities (i.e., Proxy Voting).....	20
Item 18 – Financial Information.....	21

Item 4. Advisory Business

A. The Company

PCA has been registered as an investment adviser with the U.S. Securities and Exchange Commission since February, 2011. PCA is the trade name of C2P Capital Advisory Group, LLC, an Ohio limited liability company of which Jason L Smith, David M. Alison, and Pablo Terra are the principal owners. This Disclosure Brochure describes PCA's business. Certain sections also describe the activities of Supervised Persons. Supervised Persons are any of PCA's officers, partners, directors (or other persons occupying a similar status or performing similar functions), or employees, or any other person who provides investment advice on PCA's behalf and is subject to PCA's supervision or control.

B. Advisory Services

PCA provides financial planning, consulting and investment management services. Prior to engaging PCA to provide investment advisory services, the client is required to enter into one or more written agreements with PCA setting forth the terms and conditions under which PCA renders its services (the "Agreement").

Investment Management Services

Clients can engage PCA to manage all or a portion of their assets on a discretionary basis. PCA emphasizes continuous and regular account supervision and may provide advice about any type of investment held within a client's portfolio.

As part of its investment management service, PCA primarily allocates clients' investment assets among certain investment strategies including a series of proprietary model portfolios created and managed by PCA made up of mutual funds (including the Dimension Funds ("DFA Fund(s)")) and individual securities as described below. At all times, PCA will ensure that client assets are allocated in a manner that is consistent with their Risk Tolerance Questionnaire.

Each of the PCA model portfolios are separately managed and may include mutual funds, options, exchange-traded funds ("ETFs"), and individual debt and equity securities in accordance with the investment objectives of the strategy.

PCA also may render non-discretionary investment management services to clients relative to variable life/annuity products that they may own, their individual employer-sponsored retirement plans, and/or 529 plans or other products that may not be held by the client's primary custodian. In so doing, PCA either directs or recommends the allocation of client assets among the various investment options that are available with the product (as further described below). Client assets are maintained at the specific insurance company or custodian designated by the product.

Financial Planning Services

PCA may provide its clients with a broad range of comprehensive financial planning and consulting services. These services include business planning, investment planning, insurance, retirement planning, estate planning, charitable planning, education planning, and personal financial planning. PCA does not provide accounting or tax advice, however, certain of PCA's Supervised Persons may have other business practices that are independent of and are not affiliated with PCA. Please refer to the Form ADV Part 2B which accompanies this Disclosure Brochure for more information.

PCA's written financial plans or consultations usually include general recommendations for a course of activity or specific actions to be taken by the client. For example, PCA may recommend that clients begin or revise an investment program, obtain or revise insurance coverage, commence or alter retirement savings, or establish education or charitable giving programs. Clients who engage PCA to provide written financial plans will be provided with a written summary of their financial situation and PCA's observations and recommendations. For financial consulting arrangements, PCA's service is typically less formal and does not include a written summary. Plans or consultations are typically completed within six months from the beginning of the engagement, assuming that the client has provided the necessary documentation and other information requested by PCA.

Retirement Plan Services

PCA may engage itself to assist businesses and non-profit organizations with their 401(k) and employee benefit plans. The firm will assist these businesses and organizations to ensure that these plans meet the employers' and employees' needs and that they comply with the necessary regulations.

Trustees and Investment Committees

PCA may provide investment advisory services to investment committees and trustees of Defined Benefit Plans, Non-Participant directed 401(k) plans and Non Profit Organizations. PCA may act as a 3(21) Investment Fiduciary providing investment advice for a fee to the trustees or the committee to implement.

Participant Directed Retirement Plans

PCA may provide investment advisory services to investment committees and trustees of Participant Directed Retirement Plans. PCA may act as a 3(21) Investment Fiduciary providing investment advice for a fee to the trustees or the committee to implement. PCA has contracted with BAM Advisors Services, LLC for Advisors Access™ 401(k) services, including access to model investment portfolios and administrative and marketing support services. BAM receives a portion of the Advisors Access fees paid by participating 401(k) plans. In no instance shall the revenue split between BAM and Advisor fall below 70% of revenue to the Advisor, except if minimum fees are invoked.

PCA may provide non-discretionary investment advisory services with respect to the assets of individual retirement plan participants through their own employer-sponsored defined contribution (i.e., 401K, 403b, 457 TSP) plans using the investment options that are specific to them. PCA **will not** act as a 3(21) investment fiduciary with respect to such assets. In the event that a client chooses to engage PCA to provide such advisory services, PCA will provide all recommendations regarding the allocation of assets directly to clients using the Plan Confidence™ website. The fees for such services shall be negotiated between the client and his/her individual PCA Investment Advisory Representative and will be governed by the contract between PCA and the client. For additional information regarding this, please contact PCA or visit www.401kconfidence.net.

Use of Independent Managers

In addition, PCA may recommend that certain clients authorize the active discretionary management of a portion of their assets by and/or among certain independent investment managers ("Independent Managers"), based upon the stated investment objectives of the client. The terms and conditions of the relationship between PCA, the client and the Independent Manager are set forth in a separate written agreement between PCA and the designated Independent

Manager. PCA will continue to be responsible for monitoring and reviewing each client's account to ensure that the assets are being managed in accordance with their investment objectives. PCA will receive an annual advisory fee which is based upon a percentage of the market value of the assets being managed by the designated Independent Manager.

When recommending or selecting an Independent Manager for a client, PCA reviews information about the Independent Manager such as its disclosure brochure and/or material supplied by the Independent Manager or independent third parties for a description of the Independent Manager's investment strategies, past performance and risk results to the extent available. Factors that PCA considers in recommending an Independent Manager include the client's stated investment objectives, management style, performance, reputation, financial strength, reporting, pricing, and research. The investment management fees charged by the designated Independent Managers, together with the fees charged by the corresponding designated broker-dealer/custodian of the client's assets, may be exclusive of, and in addition to, PCA's investment advisory fee set forth above. As discussed above, the client may incur additional fees than those charged by PCA, including fees charged by the designated Independent Managers, and corresponding broker-dealer and custodian.

In addition to PCA's written disclosure brochure, the client may also receive the written disclosure brochure of the designated Independent Managers. Certain Independent Managers may impose more restrictive account requirements and varying billing practices than PCA. In such instances, PCA may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

C. Client Tailored Services and Client Imposed Restrictions

PCA tailors its advisory services to the individual needs of clients. Each portfolio will be initially designed to meet a particular investment goal, which PCA determines to be suitable to the client's circumstances including: investment needs, goals, objectives, risk tolerance, and time horizon.

In performing any of the above services, PCA is not required to verify any information received from the client or from the client's other professionals (e.g., attorney, accountant, etc.) and is expressly authorized to rely on such information. PCA may recommend the services of itself and/or other professionals to implement its recommendations. Clients are advised that a conflict of interest exists if PCA recommends its own services.

With respect to PCA's investment management services, PCA has full investment discretion over clients' assets and may manage those assets in a manner consistent with the clients' investment objectives and risk tolerance. Clients may impose reasonable restrictions or mandates on the management of their account (e.g., require that a portion of their assets be invested in socially responsible funds) if, in PCA's sole discretion, the conditions will not materially impact the performance of a portfolio strategy or prove overly burdensome to its management efforts.

With respect to PCA's financial planning and/or consulting services, the client is under no obligation to act upon any of the recommendations made by PCA or to engage the services of any such recommended professional, including PCA itself. The client retains absolute discretion over all such implementation decisions and is free to accept or reject any of PCA's recommendations.

Clients are advised to promptly notify PCA if there are changes in their financial situation or investment objectives or if they wish to impose any reasonable restrictions upon PCA's management services.

D. Wrap Fee Programs

PCA does not provide portfolio management services to a wrap fee program(s). Under a wrap fee program, advisory services (which may include portfolio management or advice concerning the selection of other investment advisers) and transaction services (e.g., execution of trades) are provided for one fee. This is different than traditional investment management programs whereby services are provided for a fee, but transaction services are billed separately on a per-transaction basis.

E. Assets Under Management

PCA provides investment advisory services to clients on both a discretionary and non-discretionary basis. As of December 31, 2015:

Discretionary Assets Under Management	\$466,051,385
Non-Discretionary Assets Under Management	<u>\$ 0</u>
Total	\$466,051,385

Item 5. Fees and Compensation

A. Advisory Fees

PCA offers its services on a fee basis, which may include fixed fees as well as fees based upon assets under management. Additionally, certain of PCA's Supervised Persons, in their individual capacities, may offer insurance products or engage in securities transactions under a commission arrangement through other unaffiliated entities as described in Item 10 (below).

Financial Planning and Consulting Fees

PCA may charge a fixed fee for financial planning and consulting services. This fee for will be based on a pre-determined hourly rate negotiated by PCA and the client not to exceed 2.00% of the total value of the client's estate. These fees are negotiable, and have historically ranged from \$500 to \$15,000 depending upon the level and scope of the services and the professional rendering the financial planning and/or the consulting services. Should the client opt to engage PCA for an annual update of the Financial Plan, such annual updates will be provided for an additional flat fee. If the client engages PCA for additional investment advisory services, such as the implementation of the Financial Plan, PCA may, in its sole discretion, offset all or a portion of its fees for those services based upon the amount paid for the financial planning and/or consulting services.

Prior to engaging PCA to provide financial planning and/or consulting services, the client is required to enter into a written agreement with PCA setting forth the terms and conditions of the engagement. The client will also be provided with an estimate of the amount of time that will be required to perform the service. Generally, PCA requires one-half of the estimated financial planning/consulting fee upon entering into the written agreement with PCA. The balance is generally due upon delivery of the Financial Plan or completion of the agreed upon services.

PCA retains the right to modify or waive fees in its sole and absolute discretion, on a client-by-client basis. Factors considered include the complexity and nature of the services provided, anticipated amount of assets to be placed under management, anticipated future additional assets, related accounts, portfolio style, and account composition. The specific fee schedule is identified in the written agreement entered into with the client.

Investment Management Fees

PCA provides investment management services for an annual fee based upon a percentage of the market value of the assets being managed by PCA. PCA's annual fee is exclusive of, and in addition to brokerage commissions, transaction fees, and other related costs and expenses, which are incurred by the client. PCA does not, however, receive any portion of these commissions, fees, and costs. PCA's annual fee is prorated and charged quarterly, in advance, based upon the market value of the assets being managed by PCA on the last day of the previous quarter.

Minimum Annual Fee – \$150.00 per year and is billed on a quarterly basis.

The annual fee for investment management services typically varies between 0.50% and 3.00% depending upon a number of factors, including the market value of the assets under management and the types of services to be rendered.

PCA, in its sole discretion, may negotiate to charge a lesser management fee based upon certain criteria (e.g., anticipated future earning capacity, anticipated future additional assets, dollar amount of assets to be managed, related accounts, account composition, pre-existing client, account retention, pro bono activities, etc.) and retains the right to modify or waive clients' fees in its sole discretion on a client by client basis. Details of the investment management fee charged are more fully described in the Agreement entered into with each client.

Investment Management fees may not exceed 3.00% of the market value of any client account as calculated on an annual basis.

Fees for Unmanaged Assets

With respect to Unmanaged Assets as that term is defined in the written agreement between PCA and the client, PCA may be paid a fee to hold the Unmanaged Assets on the PCA platform, and provide consolidated analytics and ongoing reporting for those assets. The fees charged for this service will be billed on a pro rata basis, quarterly, in advance, based on the value of the Unmanaged Assets within the clients' account(s) on the last day of the preceding quarter. The amount of such fees is negotiable and will be agreed-upon and documented in the written agreement between PCA and the client. Client understands that PCA's fees are in addition to fees charged by the custodian to hold the assets within the account(s).

Retirement Plan Services

Trustees and Investment Committees

Fees assessed for services provided to Trustees and Investment Committees are negotiated on a plan-by-plan basis, based on the complexity of plan. For ongoing services, PCA will receive an annual fee, paid monthly, and normally based upon a percentage of the plan's total assets. These fees are in addition to any custodial, recordkeeping, or investment management fees (from Mutual Funds, ETF's, etc.). Services may be terminated by either party, at any time, by giving written notice to the other. Any collected, unearned fees will be returned to the client.

All fees are either paid directly by the plan sponsor or are charged directly to the participants through the plan's recordkeeper. PCA receives no compensation from 12(b)-1 fees or revenue sharing programs. Any revenue sharing programs paid out by fund companies are collected by the custodian and/or recordkeeper and used to offset both the custodial and/or record-keeping expenses (if there are excess fees, it is the plan sponsor's discretion how these dollars are to be used). Upon termination, any fees paid in advanced and not earned will be refunded to the client.

Participant Directed Retirement Plans

Fees charged for investment advisory services are in addition to any custodial, recordkeeping, or investment management fees (from Mutual Funds, ETF's, etc.) and are negotiated and agreed upon on a case-by-case basis. Details of the fees charged are more fully described in the written agreement entered into with each client. Services may be terminated by either party, at any time, by giving written notice to the other. Any collected, unearned fees will be returned to the client.

All fees are either paid directly by the plan sponsor or are charged directly to the participants through the plan's recordkeeper. PCA receives no compensation from 12(b)-1 fees or revenue sharing programs. Any revenue sharing programs paid out by fund companies are collected by the custodian and/or recordkeeper and used to offset both the custodial and/or record-keeping expenses (if there are excess fees, it is the plan sponsor's discretion how these dollars are to be used). Upon termination, any fees paid in advance and not earned will be refunded to the client.

B. Payment Method

PCA's investment management fees will be charged to most clients through the direct debit of fees from the qualified custodian. Each quarter, PCA will notify the client's qualified custodian of the amount of the fee due and payable to PCA pursuant to the firm's fee schedule and the client's Agreement. The qualified custodian will not validate or check PCA's fees, its corresponding calculation or the assets on which the fee is based unless the client has retained their services to do so. With the client's pre-approval, the qualified custodian will "deduct" the fee from the client's account or, if the client has more than one account, from the account the client has designated to pay PCA's fees. Each quarter, the client will receive a statement directly from the qualified custodian showing all transactions, positions and credits/debits into or from the client's account. Statements sent will also reflect the fees paid by the client to PCA.

For certain institutional clients, PCA may charge its fees via direct billing. In this case, each quarter, PCA will issue the client an invoice for the firm's services and the client will pay PCA by check or wire transfer within 15 days of the date of the invoice, or as negotiated and documented in the client's Agreement.

C. Additional Fees and Expenses

Mutual Fund Fees and Exchange Traded Funds

All fees paid to PCA are separate and distinct from the fees and expenses charged by mutual funds and Exchange Traded Funds to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay a deferred sales charge. A client could invest in a fund directly, without the services of PCA. In that case, the client would not receive the services provided by PCA which are designed, among other things, to assist the client in determining which funds are most appropriate to each client's financial condition and objectives. To the extent that client assets are invested in money market funds or cash positions,

the fees for monitoring those assets are in addition to the fees included in the internal expenses of those funds paid to their own investment managers, which are fully disclosed in each fund's prospectus. Accordingly, the client should review both the fees charged by the funds and the fees charged by PCA to fully understand the total amount of fees to be paid by the client and to thereby evaluate the services being provided.

Professional/Service Provider Fees

Fees do not include the services of any co-fiduciaries, accountants, broker dealers or attorneys. Accordingly, the fees of any additional professionals engaged by a client will be billed directly by such professional(s). Additionally, you may also incur certain charges, including a set-up fee, imposed for certain services including Plan Confidence™ (described above). Set up fees may be charged as a one-time fee at the time of signing an agreement for investment advisory services.

Fees Charged by Financial Institutions

As further discussed in response to Item 12 (below), PCA generally recommends that clients utilize the brokerage and clearing services of multiple broker-dealers, including, but not limited to, TD Ameritrade Institutional, a division of TD Ameritrade, Inc. ("TD Ameritrade"), Fidelity Investments Institutional Brokerage Group ("Fidelity"), Huntington Bank ("Huntington") and U.S. Bank Institutional Trust & Custody ("U.S. Bank"). These broker-dealers offer services to independent investment advisors which include custody of securities, trade execution, clearance and settlement of transactions. PCA receives some benefits from these broker-dealers through its participation in their respective advisor services programs.

PCA may only implement its investment management recommendations after the client has arranged for and furnished PCA with all information and authorization regarding accounts with appropriate financial institutions. Financial institutions include, but are not limited to, TD Ameritrade, Fidelity, U.S. Bank and any other broker-dealer recommended by PCA, broker-dealer directed by the client, trust companies, banks etc. (collectively referred to herein as the "Financial Institutions").

Clients may incur certain charges imposed by the Financial Institutions and other third parties such as fees charged by Independent Managers (as defined above), custodial fees, charges imposed directly by a mutual fund or ETF in the account which are disclosed in the fund's prospectus (e.g., fund management fees and other fund expenses), deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. Additionally, for assets outside of any wrap fee programs, clients may incur brokerage commissions and transaction fees. Such charges, fees and commissions are exclusive of and in addition to PCA's fee.

PCA's Agreement and the separate written agreement with any Financial Institutions may authorize PCA or the Independent Managers to debit the client's account for the amount of PCA's fee and to directly remit that management fee to PCA or the Independent Managers. Any Financial Institutions recommended by PCA have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to PCA.

Fees for Partial Months of Service

For the initial period of investment management services, the fees are calculated on a pro rata basis. The Agreement between PCA and the client will continue in effect until terminated by either

party pursuant to the terms of the Agreement. PCA's fees are prorated through the date of termination and any remaining balance is charged or refunded to the client, as appropriate.

Clients may make additions to and withdrawals from their account at any time, subject to PCA's right to terminate an account and liquidity of assets. Additions may be in cash or securities provided that PCA reserves the right to liquidate any transferred securities or decline to accept particular securities into a client's account. Clients may withdraw account assets on notice to PCA, subject to the usual and customary securities settlement procedures. However, PCA designs its managed portfolios as long-term investments and the withdrawal of assets may impair the achievement of a client's investment objectives. PCA may consult with its clients about the options and ramifications of transferring securities. However, clients are advised that when transferred securities are liquidated, they are subject to transaction fees, fees assessed at the mutual fund level (i.e. contingent deferred sales charge) and/or tax ramifications.

If assets are deposited into or withdrawn from an account after the inception of a quarter the fee payable with respect to such assets maybe adjusted or prorated based on the number of days remaining in that quarter.

D. Termination and Refunds

An Agreement may be terminated at any time, by either party, for any reason upon 10 days prior written notice to the other party. PCA is authorized to charge a client the applicable fee for up to 30 days after account termination as reasonable compensation for the orderly winding up of the client's account. Fees over \$50 per household will be rebated. If an account is terminated during a calendar quarter, fees will be adjusted pro rata based upon the number of calendar days in the calendar quarter that the Agreement was effective. A pro rata portion of any fees paid in advance will be promptly refunded to the client.

E. Additional Compensation

Supervised Persons as Registered Representatives

Supervised Persons of PCA may also be licensed as registered representatives of a FINRA registered broker-dealer. In such capacity, those Supervised Persons have the opportunity to sell securities through the broker-dealer and receive normal and customary commissions and other types of compensation, for example, mutual fund 12b-1 fees or variable annuity trails. While these Supervised Persons endeavor at all times to put the interest of the clients first as part of PCA's fiduciary duty, clients should be aware that a conflict of interest exists to the extent that PCA or these individuals recommend the purchase of securities where such individuals receive commissions or other additional compensation as a result of such recommendations. This is because the receipt of commissions could represent an incentive for these Supervised Persons to recommend products based on the compensation received, rather than on a client's needs. However, if a client decides to purchase the recommended investment product(s), the client is not required to purchase it through these individuals and always has the option to purchase the investment product(s) through any broker, dealer or insurance agent of their choice.

Supervised Persons as Licensed Insurance Agents

Supervised Persons of PCA may also be licensed as insurance agents. In this capacity, they may offer fixed and variable life insurance products and receive normal and customary commissions as a result of any purchases made by clients. The client is under no obligation to purchase fixed or variable life insurance products through any Supervised Person of PCA on commissionable basis. In

addition, each Supervised Person may receive other compensation such as fixed or variable life trails. The potential for receipt of commissions and other compensation when Supervised Persons of PCA act as an insurance agent gives them an incentive to recommend insurance products based on the compensation received, rather than the client's needs. As part of PCA's fiduciary duties, each Investment Advisory Representative endeavors at all times to put the interests of clients first and foremost.

Non-Cash Compensation

PCA may occasionally host an advisor conference where they offer non-cash compensation to its financial advisors based on the amount of new advisory business the advisor places with PCA. To be eligible for this non-cash compensation, the advisor must consider the new advisory relationship and business placed with PCA suitable for the client and in the client's best interest. In general, the advisor must also generate a minimum amount of new investment advisory business during a specified period of time to be eligible for this non-cash compensation. Examples of this non-cash compensation would be airfare, hotel, meals, and entertainment expense to attend the advisor conference. The non-cash compensation is awarded based the revenue generated from advisory business to PCA, and from revenue generated to an affiliate of PCA, C2P Advisory Group, LLC ("C2P"), for sales of non-securities insurance products for which C2P acts as broker. Non-cash compensation for advisors is not awarded for the sale of specific financial products, but are based on total revenue generated by the investment advisory relationships to PCA and the sale of insurance products for which C2P is the broker. PCA's Advisors may also be licensed and appointed with various insurance companies to offer insurance products to you. C2P may also offer non-cash compensation to their Advisors. The revenue received by C2P for the sale of insurance products is generally greater than the revenue received by PCA from an advisory relationship, and may be an incentive for an advisor to offer insurance products over advisory services. Any insurance product sale is subject to a suitability review by the insurance company. Certain third parties may pay for permissible non-cash compensation, such as business entertainment, in the course of PCA-sponsored trip or event.

Item 6. Performance-Based Fees and Side-by-Side Management

PCA does not provide any services for performance-based fees or engage in the side-by-side management of client accounts. Performance-based fees are fees that are based on a share of capital gains or capital appreciation of a client's account. Side-by-side management refers to the practice of managing accounts that are charged performance-based fees while at the same time managing accounts that are not charged performance-based fees. PCA's fees are calculated as described above in Item 5 - Fees and Compensation - and are not charged on the basis of a share of the capital gains upon, or capital appreciation of, the funds in a client's account.

Item 7. Types of Clients

PCA primarily provides its services to individuals, trusts, estates, businesses, non-for-profit organizations, fraternal organizations, charitable organizations, and institutional public fund accounts.

Engaging the Services of PCA

All clients wishing to engage PCA for investment management and/or advisory services must first complete the applicable Agreement as well as any other document or questionnaire provided by PCA. The Agreement describes the services and responsibilities of PCA to the client. It also outlines PCA's fee in detail.

In addition, clients must complete certain broker-dealer/custodial documentation as well as any documentation required by any Independent Managers or other service providers used. Upon completion of these documents, PCA will be considered engaged by the client.

Minimum Account Size and/or Fee

As a condition for opening an account, PCA generally requires a minimum portfolio size of \$5,000. However, certain Independent Managers may impose more restrictive account requirements and varying billing practices than PCA. In such instances, PCA may alter its corresponding account requirements and/or billing practices to accommodate those of the Independent Managers.

Minimum Annual Fee – \$150.00 per year and is billed on a quarterly basis.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

A. Methods of Analysis and Investment Strategies

Methods of Analysis

PCA utilizes investment strategies based upon target asset-class allocations to reflect information supplied by the client regarding the client's individual financial circumstances, expressed cash needs, risk tolerance, investment objectives, and other factors. The asset-class allocation programs designate specified percentages within multiple securities asset-classes with the intent of creating a diversified investment portfolio of no load institutional mutual funds and ETFs. The client and/or his or her Investment Advisory Representative have the opportunity to review, modify, and approve such recommended asset allocation programs.

PCA utilizes a method of asset-class allocation based upon academic and behavioral economic research. PCA's asset-class allocation programs and advice concerning securities is based upon publicly-available research and reports regarding Efficient Markets Theory, adjusted for certain behavioral economic factors. The asset-class allocations are adjusted for risk (defined as historic market volatility over identified periods of time). Its recommendations are designed for longer-term investors.

For new and existing clients, PCA's Investment Advisory Representatives, solicitors and sub-advisors may recommend that clients invest in any one of a series of Post-Tax Tax-Managed and Pre-Tax model portfolios. These models are designed to provide asset class diversification for varying levels of risk tolerance. These models are managed in a manner substantially similar to the models historically recommended for investment by PCA (described below).

- **Fixed Income** (100% fixed income)
- **Stable** (20% equity/80% fixed income);
- **Conservative** (40% equity/60% fixed income);

- **Balanced** (50% equity/50% fixed income);
- **Moderate** (60% equity/40% fixed income);
- **Growth** (80% equity/20% fixed income);
- **Equity** (100% equity).

PCA may recommend that clients invest in any one of the following Global Portfolio or ETF Models:

- **Global Allocation Stable Portfolio** (25/75);
- **Global Allocation Conservative Portfolio** (40/60)
- **Global Allocation Balanced Portfolio** (50/50);
- **Global Allocation Moderate Portfolio** (60/40);
- **Global Allocation Growth Portfolio** (80/20);
- **Global Equity Portfolio** (100% equity);
- **Strategically Managed Distribution (Fixed Income ETFs and Cash)**
- **Diversified Fixed Income (Fixed Income ETFs)**

Each of these model portfolios are comprised of a combination of DFA Funds and other securities that correspond to the allocation percentages shown.

A. Investing Involves Risk

All investments are subject to risk. PCA's portfolios attempt to historically quantify risks and minimize certain risks by diversification among different types of asset classes, but diversification neither assures a profit nor protects against a loss in a declining market. There is no assurance that PCA will be successful and clients are advised that they are subject to the risks of the securities markets. These risks include general market trends, unintended concentrations in certain markets, sectors and individual issuers, government regulation, and lack of sufficient market liquidity. Fixed income investments are subject to interest rate risks and volatility of market prices. Real estate securities are subject to property value changes, rental income, property taxes, and tax and regulatory changes. Foreign securities and emerging market investments are subject to the same risks as discussed herein and subject to the risks of currency exchange rate changes, political instability, and different methods of accounting and finance reporting. The additional risks associated with small company and value securities may include increased volatility and less liquidity. Past performance does not guarantee future returns.

B. Risks Associated with Investment Strategies and Methods of Analysis

Risks Associated with Investment Strategies

Similarly Managed Accounts

For certain clients, PCA may manage portfolios by allocating portfolio assets among various mutual funds /securities on a discretionary basis using one or more of recommended investment strategies defined in Item 8 above. In so doing, PCA and/or the Independent Manager may buy, sell, exchange and/or transfer shares of mutual funds / securities based upon the investment strategy.

PCA's management using the investment strategy complies with the requirements of Rule 3a-4 of the Investment Company Act of 1940, as amended. Rule 3a-4 provides similarly managed accounts, such as the investment strategy, with a safe harbor from the definition of an investment company.

The investment strategy may involve an above-average portfolio turnover that could negatively impact upon the net after-tax gain experienced by an individual client. Clients are encouraged to consult a tax professional regarding the tax implications of any investment strategy.

Item 9. Disciplinary Information

PCA is required to disclose the facts of any legal or disciplinary events that are material to a client's evaluation of its advisory business or the integrity of management. PCA does not have any required disclosures to this Item.

Item 10. Other Financial Industry Activities and Affiliations

PCA is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons. PCA has described such relationships and arrangements below.

Matthew S. Hardin is a securities attorney and is licensed to practice law in Pennsylvania, Missouri and Illinois. Mr. Hardin is an equity owner of Hardin Law Group LLC, a law firm based in Pennsylvania. In addition, Mr. Hardin owns Hardin Compliance Consulting LLC, a firm specializing in providing regulatory compliance consulting services to registered investment advisers, broker-dealers, investment companies and private funds. Mr. Hardin serves as Chief Compliance Officer of PCA. He is also registered with BPU Investment Management, Inc. a registered broker-dealer and FINRA member. PCA does not utilize BPU Investment Management Inc. on behalf of the firm's clients.

Supervised Persons may also offer their services, including those described above, as a PCA Investment Advisory Representative through another name. We call this a "doing business as" (dba) name. For example instead of operating under the name John Doe, the representative may operate under Doe Financial Group or XYZ Wealth Management. In these circumstances, the client may be provided with financial planning, accounting, tax and or legal services, but only the investment management services, are offered through PCA.

A. Broker-Dealer Registration and Registered Representatives

PCA is not registered, nor does it have an application pending to register, as a broker-dealer.

Certain of PCA's Supervised Persons, in their individual capacities, are also registered representatives with various FINRA-registered broker-dealers, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain investment products. While PCA does not sell any commissionable investment products to its clients, PCA does permit its Supervised Persons, in their individual capacities as registered representatives, to sell investment products to their clients. A conflict of interest exists to the extent that PCA recommends the purchase of investment products where PCA's Supervised Persons receive commissions or other additional compensation.

To the extent that clients wish one or more of these individuals to implement any recommendations made by PCA, the purchase or sale of any securities in conjunction with the implementation of such recommendations is made through one or more of these broker-dealers. Clients are free, however, to implement PCA's recommendations through any broker-dealer that they choose. The receipt of commissions for recommended products could represent an incentive for these individuals to recommend products that pay a commission over other products, therefore creating a conflict of interest. Additionally, if a client implements the recommendation through these individuals, the client may be limited to those products or services available through these broker-dealers.

Commissions earned may be higher or lower at these broker-dealers than other broker-dealers. Notwithstanding the fact that these individuals are registered representatives of such broker-dealers, each of these Investment Advisor Representatives is solely responsible for the investment advice rendered. PCA's advisory services are provided separately and independently of these broker-dealers.

B. Futures and Commodity Registration

PCA is not registered, nor does it have an application pending to register, as a futures commission merchant, commodity pool operator or a commodity trading advisor. No management person is registered, nor does any management person have an application pending to register, as an associated person of a futures commission merchant, commodity pool operator or a commodity trading advisor.

C. Financial Industry Affiliations

Licensed Insurance Producers

Certain of PCA's Supervised Persons, in their individual capacities, are also licensed insurance agents with various insurance companies, and in such capacity, may recommend, on a fully-disclosed commission basis, the purchase of certain insurance products. While PCA does not sell such insurance products to its clients, PCA does permit its Supervised Persons, in their individual capacities as licensed insurance agents, to sell insurance products to their clients. A conflict of interest exists to the extent that PCA recommends the purchase of insurance products where PCA's Supervised Persons receive insurance commissions or other additional compensation.

Certified Public Accountants

Certain of PCA's Supervised Persons, in their individual capacities, are also certified public accountants or may recommend the services of an outside certified public accountant, including representatives from their own outside firm, to its clients. A conflict of interest exists to the extent that PCA recommends accounting services where PCA's Supervised Persons may receive any fees or additional compensation, referral or otherwise.

Referrals to Related Estate Planning Attorneys

PCA does not render legal advice or services to its clients. Certain of PCA's Supervised Persons, in their individual capacities, may recommend the services of an outside legal estate planning specialist, including representatives from their own outside firm, to its clients. A conflict of interest exists to the extent that PCA recommends legal and estate planning services where PCA's Supervised Persons may receive any fees or additional compensation, referral or otherwise.

Item 11. Code of Ethics

PCA and persons associated with PCA (“Associated Persons”) are permitted to buy or sell securities that it also recommends to clients consistent with PCA’s policies and procedures.

PCA has adopted a Code of Ethics that sets forth the standards of conduct expected of its Associated Persons and requires compliance with applicable securities laws. In accordance with Section 204-A of the Investment Advisers Act of 1940 (the “Advisers Act”), its Code of Ethics contains written policies reasonably designed to prevent the unlawful use of material non-public information by PCA or any of its Associated Persons. The Code of Ethics also requires that certain of PCA’s personnel (called “Access Persons”) report their personal securities holdings and transactions and obtain pre-approval of certain investments such as initial public offerings and limited offerings.

Unless specifically permitted in PCA’s Code of Ethics, none of PCA’s Access Persons may effect for themselves or for their immediate family (i.e., spouse, minor children, and adults living in the same household as the Access Person) any transactions in a security which is being actively purchased or sold, or is being considered for purchase or sale, on behalf of any of PCA’s clients.

When PCA is purchasing or considering for purchase any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the purchase or until a decision has been made not to purchase such security. Similarly, when PCA is selling or considering the sale of any security on behalf of a client, no Access Person may effect a transaction in that security prior to the completion of the sale or until a decision has been made not to sell such security. These requirements are not applicable to: (i) direct obligations of the Government of the United States; (ii) money market instruments, bankers’ acceptances, bank certificates of deposit, commercial paper, repurchase agreements and other high quality short-term debt instruments, including repurchase agreements; (iii) shares issued by mutual funds or money market funds; and (iv) shares issued by unit investment trusts that are invested exclusively in one or more mutual funds. Clients and prospective clients may contact PCA to request a copy of its Code of Ethics.

Item 12. Brokerage Practices

A. Brokerage Selection

As discussed above, in Item 5, PCA maintains discretion over the choice of brokers to be used in executing client transactions. Generally, PCA recommends that clients utilize the brokerage and clearing services of TD Ameritrade, Fidelity and U.S. Bank. Clients enter into a separate agreement with the custodian chosen by them and transactions are executed through the broker appointed by them.

Best Execution

Best execution has been defined by the SEC as the “execution of securities transactions for clients in such a manner that the client’s total cost or proceeds in each transaction is the most favorable under the circumstances.” 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, including among others, the value of research provided, execution capability, commission rates, and responsiveness.

The commissions paid by PCA's clients comply with PCA's duty to obtain "best execution." When placing portfolio transactions for client accounts, PCA's primary objective is to obtain the best price and best execution, taking into account the costs, promptness of execution and other qualitative considerations.

Broker Analysis

PCA evaluates a wide range of criteria in seeking the most favorable price and market for the execution of transactions. These include the broker-dealer's trading costs, efficiency of execution and error resolution, financial strength and stability, capability, positioning and distribution capabilities, information in regard to the availability of securities, trading patterns, statistical or factual information, opinion pertaining to trading and prior performance in serving PCA.

Also in consideration is such broker-dealers' provision or payment of the costs of research and other investment management-related services (the provisional payment of such costs by brokers are referred to as payment made by "soft dollars", as further discussed in the "Research/Soft Dollars Benefits" section immediately below). Accordingly, if PCA determines in good faith that the amount of trading costs charged by a broker-dealer is reasonable in relation to the value of the brokerage and research or investment management-related services provided by such broker, the client may pay trading costs to such broker in an amount greater than the amount another broker might charge.

PCA is responsible for continuously monitoring and evaluating the performance and execution capabilities of brokers that transact orders for our client accounts to ensure consistent quality executions. PCA periodically and systematically reviews its policies and procedures regarding its recommendation of Financial Institutions in light of its duty to obtain best execution.

Research/Soft Dollar Benefits

As stated above, PCA utilizes the services of the multiple broker-dealers, including, but not limited to, TD Ameritrade, Fidelity, Huntington and U.S. Bank. While there is no direct linkage between the investment advice given to clients and PCA's use of these broker-dealers, economic benefits are received by PCA (e.g., benefits that PCA does not pay for), which would not otherwise be received if PCA did not direct client trades to these broker-dealers. While PCA is not affiliated with these broker-dealers, they may provide PCA with access to its institutional trading and operations services, which are typically not available to retail investors. These services may include research, brokerage, custody, and access to mutual funds and other investments that are otherwise generally available only to institutional investors or would require a significantly higher minimum initial investment.

These broker-dealers may also make available to PCA other products and services that benefit PCA, but may not benefit its clients' accounts. Some of these other products and services assist PCA in managing and administering clients' accounts. These include software and other 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 PCA's fees from its clients' accounts, and assist with back-office support, record keeping and client reporting. Many of these services generally may be used to service all or a substantial number of PCA's accounts, including accounts not maintained at the specific broker-dealer that is offering this particular service. These broker-dealers also provide PCA with other services intended to help PCA manage and further develop its business enterprise. These services may include consulting, publications, conferences and presentations on practice management, information technology, business

succession, regulatory compliance, and marketing. In addition, these broker-dealers may make available, arrange and/or pay for these types of services to PCA by independent third parties. These broker-dealers 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 PCA.

While as a fiduciary PCA endeavors to act in its clients' best interests, PCA's recommendation that clients maintain their assets in accounts with certain broker-dealers may be based in part on the benefit to PCA of the availability of some of the foregoing products and services and not solely on the nature, cost or quality of custody and brokerage provided by these broker-dealers which may create a conflict of interest.

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

Directed Brokerage

PCA Directed Brokerage

As stated above, clients in need of brokerage will have one or more broker-dealers recommended to them. While there is no direct linkage between the investment advice given and usage of these broker-dealers, economic benefits may be received by PCA for directing client trades to a particular broker-dealer. PCA does not participate in any transaction fees or a commission paid to the broker dealer or custodian and does not receive any fees or commissions for the opening or maintenance of client accounts at recommended brokers.

Not all investment advisers require their clients to direct brokerage. PCA is required to disclose that by directing brokerage, PCA may not be able to achieve most favorable execution of client transactions and that this practice may cost clients more money.

Client Directed Brokerage

The client may direct PCA in writing to use a particular Financial Institution to execute some or all transactions for the client. In that case, the client will negotiate terms and arrangements for the account with that Financial Institution, and PCA will not seek better execution services or prices from other Financial Institutions or be able to "batch" client transactions for execution through other Financial Institutions with orders for other accounts managed by PCA (as described below). As a result, the client may pay higher commissions or other transaction costs or greater spreads, or receive less favorable net prices, on transactions for the account than would otherwise be the case. Subject to its duty of best execution, PCA may decline a client's request to direct brokerage if, in PCA's sole discretion, such directed brokerage arrangements would result in additional operational difficulties.

As a general rule, PCA encourages each client to compare the possible costs or disadvantages of directed brokerage against the value of custodial or other services provided by the broker to the client in exchange for the directed brokerage designation.

B. Trade Aggregation/Allocation

Transactions for each client generally will be effected independently, unless PCA decides to purchase or sell the same securities for several clients at approximately the same time. PCA may (but is not obligated to) combine or “batch” such orders to obtain best execution, to negotiate more favorable commission rates, or to allocate equitably among PCA’s clients differences in prices and commissions or other transaction costs that might have been obtained had such orders been placed independently. Under this procedure, transactions will generally be averaged as to price and allocated among PCA’s clients pro rata to the purchase and sale orders placed for each client on any given day. To the extent that PCA determines to aggregate client orders for the purchase or sale of securities, including securities in which PCA’s Supervised Persons may invest, PCA generally does so in accordance with applicable rules promulgated under the Advisers Act and no-action guidance provided by the staff of the SEC. PCA does not receive any additional compensation or remuneration as a result of the aggregation. In the event that PCA determines that a prorated allocation is not appropriate under the particular circumstances, the allocation will be made based upon other relevant factors, which may include: (i) when only a small percentage of the order is executed, shares may be allocated to the account with the smallest order or the smallest position or to an account that is out of line with respect to security or sector weightings relative to other portfolios, with similar mandates; (ii) allocations may be given to one account when one account has limitations in its investment guidelines which prohibit it from purchasing other securities which are expected to produce similar investment results and can be purchased by other accounts; (iii) if an account reaches an investment guideline limit and cannot participate in an allocation, shares may be reallocated to other accounts (this may be due to unforeseen changes in an account’s assets after an order is placed); (iv) with respect to sale allocations, allocations may be given to accounts low in cash; (v) in cases when a pro rata allocation of a potential execution would result in a de minimis allocation in one or more accounts, PCA may exclude the account(s) from the allocation; the transactions may be executed on a pro rata basis among the remaining accounts; or (vi) in cases where a small proportion of an order is executed in all accounts, shares may be allocated to one or more accounts on a random basis.

Item 13. Review of Accounts

For those clients to whom PCA provides asset management services, PCA monitors those portfolios as part of an ongoing process while regular account reviews are conducted on at least an annual basis. For those clients to whom PCA provides financial planning and/or consulting services, reviews are conducted on an “as needed” or “as requested” basis. Such reviews are conducted by one of PCA’s Investment Adviser Representatives. All clients are encouraged to discuss their needs, goals, and objectives with their Investment Adviser Representative and subsequently PCA and to keep PCA informed of any changes thereto

Unless otherwise agreed upon, clients are provided with transaction confirmation notices and regular summary account statements directly from the broker-dealer or custodian for the client accounts. Those clients to whom PCA provides asset management services will also receive a report from PCA that may include such relevant account and/or market-related information such as an inventory of account holdings and account performance as clients may request from time to time. Clients should compare the account statements they receive from their custodian with those they receive from PCA.

Those clients to whom PCA provides financial planning services will not receive either written or oral reports regarding their Financial Plans unless they enter into a subsequent written agreement

with PCA for post-Financial Plan services, which include additional meeting and/or updates to the existing financial plan.

Item 14. Client Referrals and Other Compensation

A. Economic Benefits

PCA does not receive any economic benefits such as sales awards or other prizes from any non-client for providing services to the firm's clients.

B. Client Referral

If a client is introduced to PCA by either an unaffiliated or an affiliated (a PCA employee, officer, director, and/or representative) solicitor, PCA may pay that solicitor a referral fee in accordance with the requirements of Rule 206(4)-3 of the Advisers Act and any corresponding state securities law requirements. Any such referral fee is paid solely from PCA's investment management fee, and does not result in any additional charge to the client. If the client is introduced to PCA by an unaffiliated solicitor, the solicitor provides the client with a copy of PCA's written disclosure brochure which meets the requirements of Rule 204-3 of the Advisers Act and a copy of the solicitor's disclosure statement containing the terms and conditions of the solicitation arrangement including compensation. Any affiliated solicitor of PCA discloses the nature of his/her relationship to prospective clients at the time of the solicitation and will provide all prospective clients with a copy of PCA's written disclosure brochure at the time of the solicitation.

C. Other Compensation

As disclosed above, Advisor participates in TD Ameritrade's institutional customer program and Advisor may recommend TD Ameritrade to Clients for custody and brokerage services. There is no direct link between Advisor's participation in the program and the investment advice it gives to its Clients, although Advisor receives economic benefits through its participation in the program that are typically not available to TD Ameritrade retail investors. These benefits include the following products and services (provided without cost or at a discount): receipt of duplicate Client statements and confirmations; research related products and tools; consulting services; access to a trading desk serving Advisor participants; access to block trading (which provides the ability to aggregate securities transactions for execution and then allocate the appropriate shares to Client accounts); the ability to have advisory fees deducted directly from Client accounts; access to an electronic communications network for Client order entry and account information; access to mutual funds with no transaction fees and to certain institutional money managers; and discounts on compliance, marketing, research, technology, and practice management products or services provided to Advisor by third party vendors. TD Ameritrade may also have paid for business consulting and professional services received by Advisor's related persons. Some of the products and services made available by TD Ameritrade through the program may benefit Advisor but may not benefit its Client accounts. These products or services may assist Advisor in managing and administering Client accounts, including accounts not maintained at TD Ameritrade. Other services

made available by TD Ameritrade are intended to help Advisor manage and further develop its business enterprise. The benefits received by Advisor or its personnel through participation in the program do not depend on the amount of brokerage transactions directed to TD Ameritrade. As part of its fiduciary duties to clients, Advisor endeavors at all times to put the interests of its clients first. Clients should be aware, however, that the receipt of economic benefits by Advisor or its related persons in and of itself creates a potential conflict of interest and may indirectly influence the Advisor's choice of TD Ameritrade for custody and brokerage services.

Advisor also receives from TD Ameritrade certain additional economic benefits ("Additional Services") that may or may not be offered to any other independent investment Advisors participating in the program. Specifically, the Additional Services include Laser App. TD Ameritrade provides the Additional Services to Advisor in its sole discretion and at its own expense, and Advisor does not pay any fees to TD Ameritrade for the Additional Services. Advisor and TD Ameritrade have entered into a separate agreement ("Additional Services Addendum") to govern the terms of the provision of the Additional Services.

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

Item 15. Custody

PCA does not maintain custody of client funds or securities except to the extent that pursuant to PCA's Agreement and/or the separate agreement with any Financial Institution the client may authorize PCA to debit the client's account for the amount of PCA's investment management fee and to directly remit that fee to PCA in accordance with applicable custody rules.

The Financial Institutions recommended by PCA have agreed to send a statement to the client, at least quarterly, indicating all amounts disbursed from the account including the amount of management fees paid directly to PCA. In addition, as discussed in Item 13, PCA may also provide periodic supplemental reports to clients. Clients should carefully review the statements sent directly by the Financial Institutions and compare them to those received from PCA.

Item 16. Investment Discretion

PCA is generally given the authority to exercise discretion on behalf of its investment management clients. PCA is considered to exercise investment discretion over a client's account if it can effect transactions for the client without first having to seek the client's consent. PCA is given this authority through a power-of-attorney included in the Agreement between PCA and the client. Clients may request a limitation on this authority (such as certain securities not to be bought or sold). PCA takes discretion over the following activities:

- The securities to be purchased or sold;
- The amount of securities to be purchased or sold;
- When transactions are made; and
- The Independent Managers to be hired or fired.

Item 17. Voting Client Securities

Proxy Voting

PCA does not vote proxies on behalf of its clients. Therefore, although PCA may provide discretionary investment management services relative to client investment assets, it is the client that maintains exclusive responsibility for: (i) directing the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted and (ii) making all elections relative to any mergers, acquisitions, tender offers, bankruptcy proceeding or other type events pertaining to the client's investment assets. PCA and/or the client shall correspondingly instruct each custodian of the assets to forward to the client copies of all proxies and shareholder communications relating to the client's investment assets. Clients can contact PCA at (440) 471-0345, if they have questions regarding a particular solicitation.

For clients invested with Independent Managers, such Independent Managers may vote proxies on behalf of clients. In the event an Independent Manager does indeed have a policy to vote proxies, clients maintain exclusive responsibility to: 1) direct the manner in which proxies solicited by issuers of securities beneficially owned by the client shall be voted; and 2) make any elections pertaining to the client's investment assets.

Legal Proceedings

Although PCA may have discretion over client accounts, it will not be responsible for handling client claims in class action lawsuits or similar settlements involving securities owned by the client. Clients will receive the paperwork for such claims directly from their account custodians. Each client should verify with their custodian or other account administrator whether such claims are being made on the client's behalf by the custodian or if the client is expected to file such claims directly.

Item 18. Financial Information

A. Prepayment of Fees

Because PCA does not require or accept prepayment of more than \$1,200 in fees six months or more in advance, PCA is not required to include a balance sheet with this disclosure brochure.

B. Financial Condition

PCA does not have any adverse financial conditions to disclose.

C. Bankruptcy

PCA has never been the subject of a bankruptcy petition.

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